



AID-FOR-TRADE CASE STORY

UK

Improving Service Delivery and Reducing Clearing Times at Beitbridge Border Post

Date of submission: 31st January 2011

Region: Eastern and Southern Africa

Country: ESA Region

Type: Programme

Author: TradeMark Southern Africa

Contact Details: PO Box 317, Persequor Park, Pretoria 0020, South Africa

info@trademarksa.org

Improving Service Delivery and Reducing Clearing Times at Beitbridge Border Post

Table of Contents

Executive Summary

- 1. Issues Addressed
- Objectives Pursued
- 3. Design and Implementation
- Problems Encountered
- 5. Factors for Success/Failure
- Results Achieved
- 7. Lessons Learned
- 8. Conclusion (applicability to other programs)

Executive Summary

The border post at Beitbridge is an extremely important border on the North South Corridor, with significant numbers of trucks and passenger vehicles going to and from the South African ports and, to a lesser extent, Maputo, and countries to the north such as Zimbabwe, Zambia, DR Congo and Malawi. There are also instances in which the land route to the north, into Tanzania and even into Sudan, has been used in preference to the sea route. It is one border post that experiences extreme forms of traffic congestion at peak periods.

Beitbridge was identified by the COMESA, EAC and SADC Tripartite as the main border post requiring serious attention to alleviate congestion, after having worked on Chirundu. Since May 2009 a number of stakeholders' workshops have been convened by the COMESA-EAC-SADC Tripartite, supported by the DFID-financed TradeMark Southern Africa (and prior to this the Regional Trade Facilitation Programme) to determine how transaction costs can be reduced through reducing clearance times and improving service delivery, leading to the design of the Beitbridge Efficiency Management System (BBEMS).

The objective of the BBEMS is to reduce congestion, increase operational efficiency, reduce waiting times and lower of transaction costs at the border crossing. This programme is part of a wider COMESA-EAC-SADC Tripartite work programme seeking to enhance regional economic integration through improved trade performance and trade facilitation.

After further consultations between South Africa and Zimbabwe, institutional structures were established and a draft memorandum of understanding and a work programme were prepared. However, owning to a number of factors, progress in implementing the BBEMS has been extremely slow and the problems of excessing congestion, clearance delays and inefficient service delivery persist at Beitbridge border post, lowering the efficiency of the whole North-South Corridor.

1. Issues Addressed

The Beitbridge border post, on the North South Corridor, is an extremely important border crossing between South Africa and Zimbabwe. The border crossing handles significant numbers of trucks, averaging about 470 per day and about 800 passenger vehicles per day going to and from the South African ports and, to a lesser extent, Maputo, and countries to the north such as Zimbabwe, Zambia, DR Congo and Malawi. There are also occasions

when the land route to the north, into Tanzania and even into Sudan, have been used in preference to the sea route.

The key issues affecting traffic in both directions are: long waiting times before clearance, congestion on the border, inefficient service delivery and higher costs of transactions. A situation analysis carried out in August 2009 indicated that the waiting time at the border was about 33 hours for south-bound traffic while for north bound traffic waiting time was about 45 hours. It was estimated that the cost associated with this waiting time was about US\$29.3 million for south bound and US\$35 million for north bound traffic per year. These transaction costs could be greatly reduced if the border post was revamped to improve its operational efficiency and effectiveness. To improve the operational efficiency of the border crossing, trade facilitation measures, trade related infrastructure, improvements in other physical infrastructure such as roads, bridge, parking and inspection bays, offices and housing facilities, human resource capacities and information communication and technology systems needed to be addressed.

2. Objectives Pursued

The overall objective of the BBEMS programme is to enhance regional economic integration through improved trade performance and trade facilitation along the North South Corridor.

The specific objectives of the BBEMS are to:

- a) reduce congestion at the border crossing;
- b) enhance operational efficiency;
- c) reduce waiting times; and
- d) lower transaction costs at the border.

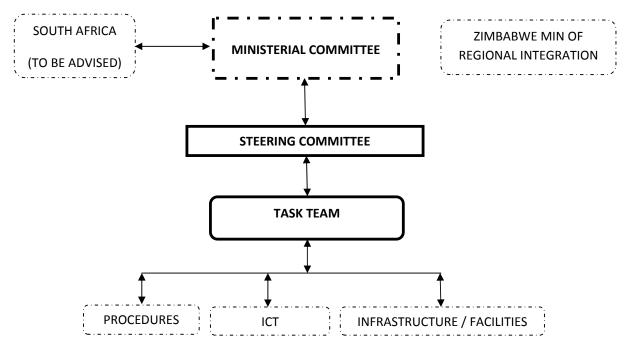
3. Design and Implementation

The programme design and implementation are based on constant consultations amongst stakeholders and between the two countries and the border control agencies. The SADC Secretariat plays a co-ordination role under the programme on behalf of the COMESA-EAC-SADC Tripartite while government officials from the two countries work under an institutional framework that brings together all border control agencies and the private sector operators as follows:

- a) Joint Border Operations Committee: This committee is based at Beitbridge and deals
 with day-to-day operational issues and existed prior to the initial stakeholder meeting.
 It was formalised by the meeting and should meet regularly and provide inputs into
 the Task Team.
- b) Task Team: The Task Team, comprising key stakeholders representing both public and private sectors, is responsible for all aspects and functions relating to the design and implementation of the Border Efficiency Management System Programme. It is tasked with the development and facilitation of the adoption of a variety of trade facilitation instruments aimed at improving service delivery at the border post covering customs; immigration; plant, animal and human health; food safety; security; border infrastructure and facilities: etc.
- c) Steering Committee: The Steering Committee is responsible for policy and overall programme leadership and direction, including monitoring and evaluation. It comprises Senior Officials at the level of Director General or Permanent Secretary of Departments or Ministries or their designated representatives.

d) Ministerial Committee: The Ministerial Committee provides political leadership and guidance the BBEMS. The Committee is still to be formally constituted and is expected to work closely with the Ministerial Committee of the North South Corridor given the critical importance of Beitbridge to the Corridor.

The institutional structure is as follows:



Note: The structures inside boxes demarcated by broken borders are yet to be established.

The BBMES work programme, which is anchored in the COMESA-EAC-SADC Tripartite work programme, and supported by the DFID-financed TradeMark Southern Africa Programme, consists of activities which, when implemented, will result in:

- Finalisation of the MoU between Zimbabwe and South Africa and its signature;
- Effective and timely sharing of information among all relevant stakeholders at national and regional levels;
- Development of a blueprint for an integrated standard operating procedure (SOP) manual covering procedures of all border agencies of both countries;
- Adoption and implementation of common simplified and harmonised border control procedures, including carrying out joint controls by officers from both countries and the development and implementation of integrated computerised systems to enhance operational efficiency;
- Improved physical infrastructure at the border post, such as roads, parking facilities, inspection bays, office space, housing, bridge, etc so as to improve operations at the border and reduce the time taken to cross the border; and
- The establishment of a one stop border post.

While programme implementation has been very slow, it remains relevant such that if implementation commences, there will be an improvement on reducing transaction costs and waiting times at the border.

4. Problems Encountered

The implementation of the programme has been faced with a number of challenges mainly arising from the lack of a formal mandate from Cabinet level for one of the countries. Other challenges faced have been:

- throughout 2010 South Africa put more emphasis on facilitating movement of people (World Cup Soccer fans) through the border post rather than prioritising movement of freight;
- an outstanding Mutual Assistance Agreement which the South African Revenue Services and the Zimbabwe Revenue Authority had negotiated which became a condition for signature before the main Memorandum of Understanding (MoU) on the BBEMS could be finalised: and
- a lengthy delay for the clearance of the main MoU through both countries' legal and regulatory systems.

The above issues have led to a delay in the implementation of the Task Team work programme. The degree of engagement on the BBEMS between the two countries has been weak and needs to be improved.

The border is open for twenty-four hours but the freight forwarding and clearing agencies do not work twenty-four hours a day thus exacerbating waiting time for commercial traffic.

5. Factors for Success/Failure

While programme implementation is significantly behind schedule, some of the challenges highlighted above have now been addressed. It is understood that the Customs to Customs Mutual Assistance Agreement has been signed which should pave the way for a deeper level of collaboration and sharing of information between border agencies. The mandate to engage in discussions on Beitbridge to improve its efficiency has also been given to the relevant country which again should facilitate movement on the work programme.

The Joint Border Operations Committee has continued meeting and exchanging views on border issues since its formation. The lead border agencies are satisfied that it is doing its work and is managing to resolve some of the problems faced at the border crossing. It has been reported that each side of the border is working on harmonising their operational manuals with a view to streamlining them and conducting joint inspections in order to reduce the clearance time.

6. Results Achieved

No clear results have been achieved as yet as the implementation of the work programme is still at an early stage. The conclusion and signing of the MoU should result in closer working relations between the two countries and tangible benefits and results should be see in 2011.

Both Governments have now come to understand the critical nature of the border crossing and the need to improve the infrastructure at the border and, as a result, there are a number of projects and activities, such as the consideration of building a new bridge across the Limpopo River, which would reduce traffic congestion, and major improvements in physical infrastructure on the Zimbabwean side.

7. Lessons Learned

One of the main lessons that can be learned from the slow finalisation and implementation of the BBEMS is that there needs to be strong commitment and leadership from the highest levels of government if procedures at border posts are to be simplified and harmonised. Without this commitment there will be a lack of engagement and co-operation between border agencies, both on different sides of the border and on the same side of the border, and the status quo will be maintained. Change management is critical and this needs support from the highest political and technical levels.

In addition, it is clear from this programme that constant consultations with all stakeholders are important in order to synchronise work activities and times and a full sharing of information across the border by all agencies is absolutely necessary to avoid wasteful duplication of procedures and inspections.

8. Conclusion

Implementation of the Beitbridge Border Efficiency Management System is still at an early stage, despite the fact that it was launched in May 2009, and considerable effort is still required from the two countries working together towards a common goal for it to be successful. If implemented, the work programme has the potential to bring remarkable changes and improvement on service delivery at the border through reducing transaction costs for traders.