

AID-FOR-TRADE CASE STORY

UK

Improving Service Delivery and Reducing Clearing Times at Chirundu Border Post

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Executive Summary

On the North South Corridor journey times are typically one-third driving and two-thirds waiting. Most effective way to reduce costs is to reduce waiting times at borders. This can be done by converting to one-stop border posts (OSBP). To implement an OSBP there is need to address: physical facilities (common control zone with a fenced perimeter, common facilities – scanning, weighbridges and inspection bays); operations and training; and legal framework (extraterritorial jurisdiction).

Chirundu is moving into a phase where it will truly operate as a OSBP. There have been challenges but procedures are now signed off so outstanding issues (such as signage, training programmes, laying of optical fibre, preparation of a performance charter and final modifications to buildings can now be completed.

The opening of Chirundu as a one-stop border post has led to significant savings in time taken to cross the border and this has translated into cost savings. However, what is required now is to reduce time taken to cross other borders on the North South Corridor so that cost savings can be realised along the whole corridor.

1. Issues Addressed

Chirundu is a border post between Zambia and Zimbabwe located on either side of the Zambezi River. It is a very busy border with between 300 to 400 trucks crossing the border each day.

The programme to convert Chirundu into a one-stop border post (OSBP) has been in the planning and implementation stage for the last 10-15 years. Initially, the only donor involved in assisting with the implementation of the OSBP was Japan, which assisted Zambia with the initial financing of the construction of the new buildings on the Zambian side and to mobilise the construction contract for the border post buildings on the Zambian side. The Japanese also financed the construction of the new road bridge at Chirundu.

The UK's Department for International Development (DFID), through the Regional Trade Facilitation Programme (which was the predecessor of TradeMark Southern Africa, (TMSA)), became involved at Chirundu in 2007, with the recruitment of a Programme Manager to manage

implementation, provide support for the various technical committees and Steering Committee, and with the financing of technical assistance inputs and financing of minor works.

The Chirundu One Stop Border Post programme is managed by the Secretariat of the Common Market for Eastern and Southern Africa on behalf of the COMESA-EAC-SADC Tripartite. The Chirundu one-stop border post was officially opened on 5th December 2009 by the Presidents of Zambia and Zimbabwe and was Africa's first functioning One-Stop Border Post.

2. Objectives Pursued

Article 2.2 of the Bilateral Agreement (between Zambia and Zimbabwe) defines the objective of the Agreement as being the enhancement of trade facilitation through the efficient movement of goods and people within the COMESA and the SADC regions.

The main purpose of the Chirundu OSBP is, by working in a sequenced and harmonised way with other initiatives on the North South Corridor, to reduce the costs of cross-border transactions by reducing the time taken to cross a border. This has been done through:

- Expediting vehicle and passenger movement through the common control zone;
- Improving efficiencies by locating offices and counter space so as to minimise time lost by clearing agents and transport operators;
- Improving the efficiencies of the flow of procedures which reduces time spent at the border and increases the effectiveness of border controls;
- Maximising the use of available technology to input information in advance and accomplish pre-clearance of persons, vehicles and goods where possible; and
- Minimise the opportunities for informal payments to expedite processing.

3. Project Design and Implementation

The Chirundu OSBP is directed by a Steering Committee of Permanent Secretaries responsible for government agencies at the borders, Ministry of Justice, Ministry of Finance, Revenue Agencies and the Private Sector (Clearing Agents and Transporters). The Project is co-ordinated by the Ministries responsible for trade in Zambia and the Ministry responsible for regional integration and international cooperation in Zimbabwe.

The day today management of the project is done by a dedicated Project Manager financed through DFID's TradeMark Southern Africa (TMSA) and based in the COMESA Secretariat.

The Project is supported by four Sub Committees responsible for key result areas, these being:

- i) Legal Sub Committee
- ii) Procedures Sub Committee
- iii) Infrastructure Sub Committee
- iv) ICT Sub Committee

The other alternative was to establish sub-committees to deliver certain border functions (such as customs, immigration, standards, etc.) but it was felt that this would not result in a one stop border being delivered as processes would not be aligned.

From the start of project implementation there was an obvious need to get the public and private sectors to agree on the concept and functions of a one-stop border at the national level before bringing the border agencies together at the bilateral level. Given that there were misunderstandings in each country regarding border management issues, control regimes and

facilitation, national steering committees in the two countries were facilitated to feed into the deliberations of the Joint Steering Committee. These national steering committee meetings enabled the public sector and the private sector in each country to reach consensus at a national level before engaging at a bilateral level.

Site visits during the stakeholders meetings were equally useful in the sense that participants were given an opportunity to appreciate the challenges at the border and the urgent need to address these challenges for the benefit of the private sector, and general economic growth.

Proactive engagement of the media and maintaining good relations with the media in both countries has helped to market the project to the business community and ordinary citizens.

Constant and effective communication on developments on the project to all stakeholders has kept the process a live issue and has kept all stakeholders engaged in the process.

Political support has been very critical in ensuring progress has been made on the project since 2007. The OSBP management team has continuously engaged Ministers and civil servants at all levels to explain the benefits and challenges of an OSBP at Chirundu.

Finally, the support of the local community at Chirundu border has been critical. This has been achieved through local inter-government agency committees comprised all heads of government agencies operating at the border. With Customs Managers on both sides of the border taking the lead in explaining the project in these meetings, the Programme managers have kept in touch with major stakeholders on site.

Legal Status of the Chirundu One Stop Border Post

There are three legal documents that govern the operation of the Chirundu OSBP:

- Zimbabwe One Stop Border Posts Control Act (No. 21) of 2007
- Zambia One Stop Border Control Act (No. 8) of 2009
- Bilateral Agreement between the Government of the Republic of Zambia and Government of the Republic of Zimbabwe concerning the Establishment and Implementation of a One Stop Border Post at Chirundu.

Enabling Acts: Two Acts of Parliaments give border control officers the authority to implement national controls throughout the Common Control Zone (CCZ). Zimbabwe officers are allowed to carry out controls on the Zambian side of the CCZ and vice versa. It also allows hosting arrangements for those foreign officials.

Agreement for Chirundu: The Bilateral Agreement covers issues regarding the operations at Chirundu border post.

Chirundu OSBP procedures

The Chirundu OSBP procedures have gone through an iterative process and even after the border was opened as an One Stop Border Post. The procedures agreed prior to the official opening have been subject to significant variation to take account of new challenges that have emerged and that have become clear only after implementation started.

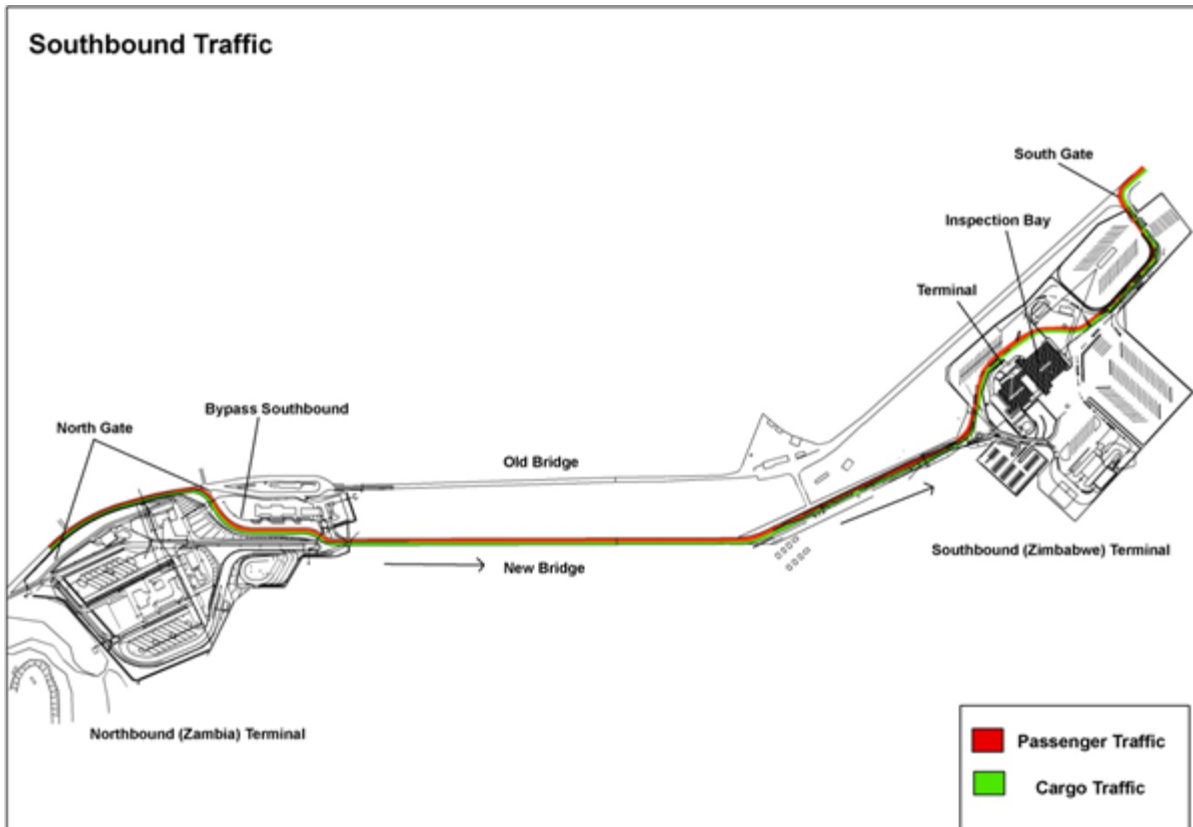
One Stop Operating Principles at Chirundu

- For southbound traffic, all procedures for persons, vehicles and goods to exit Zambia and enter Zimbabwe are carried out in the Zimbabwe terminal. For northbound traffic, all procedures for the persons, vehicles and goods to exit Zimbabwe and enter Zambia take place in the Zambian terminal.
- Entry procedures cannot begin until all exit procedures are completed and jurisdiction has formally passed from the exit state to the entry state except in cases where goods are pre-cleared. This is to avoid any conflict over national jurisdiction within the OSBP. Jurisdiction is based on the officer performing the controls not on the basis of the national territory in which the controls are performed.
- Officers carry out their own border control laws even when acting in the adjoining country, but only within the common control zone established by the Bilateral Agreement.
- Wherever possible, inspections and other procedures are carried out jointly.
- Cross-border risk assessment of persons and goods are employed to the extent possible.
- If at any point in the processing, persons are denied exit or entry or an arrest is made, or goods are confiscated, return of said persons or goods will be executed.
- National police will address any law and order offenses that occur on national territory. Any regulatory infringements that occur in the performance of border control duties will be referred to the agency management to which the officer reports.

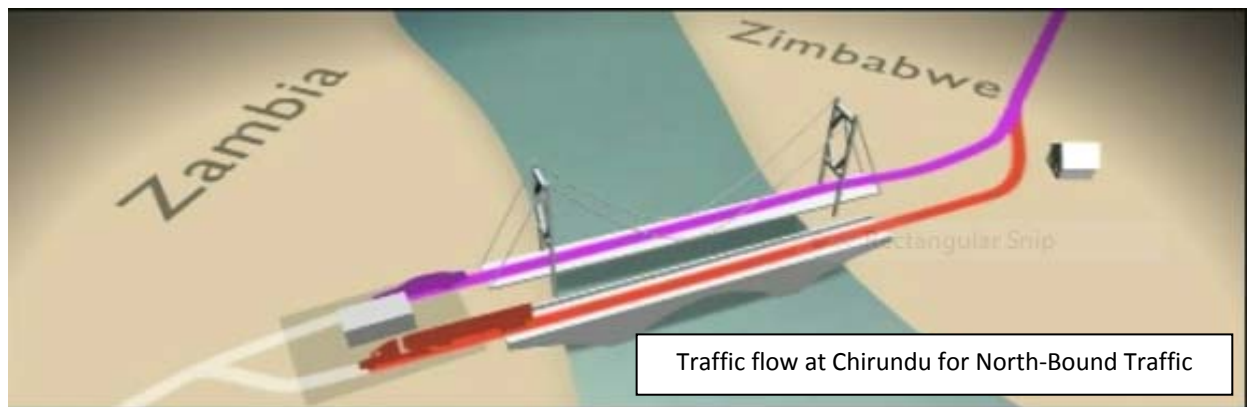
Traffic Flows

The common control zone has three gates – a south gate for entry to and exit from Zimbabwe and two north gates for entry to and exit from Zambia. The terminal in Zimbabwe is used for all southbound border controls and is referred to as the southbound terminal. The terminals in Zambia (passenger and freight) are used for all northbound border controls and are referred to as the northbound terminal.

Southbound Traffic: All southbound traffic takes the bypass route through the northbound terminal, across the new bridge and parks on the eastern side of the southbound terminal. Border controls are carried out in the public hall of the terminal, exit first and entry second. Coaches park in the inspection bays or adjacent parking area, where inspections are conducted as necessary. Heavy goods vehicles are inspected in the inspection bays as necessary. After completion of border controls, heavy goods vehicles proceed for weighing and departure at the south gate. Border gate passes are given by the first border control agent in the process and checked on departure to insure that all necessary controls have been completed.



Northbound Traffic: Northbound passenger cars and coaches drive past the south gate and cross the old (Sir Otto Beit) suspension bridge¹. Travellers follow exit procedures for Zimbabwe and entry procedures for Zambia in the public hall. Inspections are carried out in the parking area and they exit through the passenger north gate.



¹ The Otto Beit Bridge was closed after the new bridge built by the Japanese was opened. However, the teams who designed the procedures for the OSBP decided that, to optimise the flow of traffic, it would be necessary to reopen the Otto Beit Bridge for north-bound passenger traffic. In order to do this RTFP/TMSA hired bridge specialists from Norway to assess the condition of the bridge. The bridge was then rehabilitated (hangers were repaired, a bearing was replaced, side grills were repaired and the expansion joints were repaired) by RTFP team members and contracted engineers.

Northbound commercial drivers enter through the south gate. Completed gate passes are presented by the clearing agent or driver. Trucks carrying goods that are pre-cleared, transit, carrying hazardous goods or part of the Zambian Customs Accredited Clients Programme proceed to the Fast Track lane or parking area. In the meantime, the clearing agents process the documents with both Customs agencies. A special Fast Track unit is set up at the freight terminal to provide rapid processing for Fast Track cargo.



Once released by both Zimbabwe customs and any other concerned officers and Zambian customs and any other concerned officers, the driver is informed that he can proceed to the fast track clearance booth. At the Fast Track booth, both immigration services process the driver's passport and customs officers provide the documentation and release orders. The vehicle then enters Zambia through the commercial north gate, using risk management techniques and intelligence information relating to established parameters, Fast Track cargo may be subjected to scanning.

Northbound commercial drivers whose cargo does not qualify for the Fast Track proceed to the northbound freight terminal for scanning, processing and physical inspection, if deemed necessary. All processing takes place at the terminal, scanner and inspection areas. Once all controls are satisfied, the driver leaves through the commercial north gate into Zambia.

4. Problems Encountered

The opening of Chirundu as an OSBP has been made more difficult than it should have been because it was not physically (in terms of building layouts and traffic plans) designed as an OSBP which has necessitated:

- A new traffic circulation design (which has involved rehabilitating the Otto Beit Suspension Bridge for the use of passenger traffic so that the new bridge can be used only for commercial traffic);
- Modifications to the existing buildings so as to accommodate officials from Zambia in Zimbabwe and Zimbabwe in Zambia; and
- Construction of a stand-alone booth to cater for "fast track" clearances.

The passing of the OSBP law in both countries took considerable time to complete. While the signing of the bilateral agreement was completed relatively quickly, the actual granting of extra territorial authority to border agencies needed to be backed by law in both countries. Zambia took almost two years to pass the Law.

The coordination of the 18 border agencies (on both sides of the border) was a major task and took many meetings and interventions to achieve.

Communicating between Zambian and Zimbabwean customs and immigration officials within the common control zone was initially a major challenge. The original procedure was to use cell phones but officials were using their own cell phones and did not always have credit. TMSA has subsequently installed a radio system, with a radio mast, that allows officials to communicate by hand-held radio.

There was also a serious challenge of how to deal with transit fraud and this was resolved by designing a gate pass that is used by a truck driver throughout his passage through the control zone, from exit of one country to entry into the other.

Significant challenges have been overcome, including the agreement by the two countries to use one scanner and one weighbridge, the ability to move to new systems and overcome the natural inertia to change and the compromises made to other agencies and interests for the common good that is not necessarily in the interests of individuals.

There was a significant delay in formally signing off on the procedures to be used at the border post. The intention was to attach the procedures to the Memorandum of Understanding between Zambia and Zimbabwe but this was not done early on in the process. This meant that procedures could easily be modified and this took place without going through the Steering Committee. This has an advantage in that there has been an obvious need to refine procedures as lessons are learned during implementation. However it also has negative consequences, such as changing infrastructure requirements.

There are activities and projects that still need to be addressed at Chirundu to improve the operations of the border post but which are not crucial to the operations of Chirundu as a one-stop border post and which have not yet been addressed, including:

- Fencing and lighting, which is required to ensure that no illegal crossing and fraudulent change of direction takes place by exporters, importers and transporters and to secure the Common Control Zone;
- The rehabilitation of the water reticulation system and the central air conditioning unit in the Zimbabwean building; and
- Erection of covered area for clearing of buses.

Other outstanding works and activities include:

- The need to improve communications between the various border post agencies and between Zambia and Zimbabwe and within the control zone. The Zambian and Zimbabwean sides of the border are connected through a micro-wave system and the Zambian passenger terminal is connected to the commercial terminal also by a micro-wave link. TMSA is committed to linking the two sides of the border via a fibre-optic cable to improve connectivity between the two sides of the border.
- The need to computerise the Immigration sections of Chirundu, which is currently being addressed.
- The need to put in place a single window process, meaning that an importer or exporter would submit one set of documentation (or submit electronically) that could be used as both entry and exit documentation.
- The need to rehabilitate the Otto Beit Suspension Bridge and to repair the access road to the bridge on the Zimbabwean side. The bridge has been open to passenger traffic but needs to be fully rehabilitated if it is to continue to remain in service over the next coming years.
- The need to extend opening hours of Chirundu so as to reduce congestion. However this would involve putting up lighting (which, under current laws in Zimbabwe is apparently not possible as the Zimbabwean border post is in a designated game area) and

introducing another shift for border staff. Another shift involves more staff which means that additional housing would need to be built.

5. Success Factors

Some of the major success factors include:

- Very strong political support from the two governments;
- Private sector support (importers, agents and transporters);
- The establishment of four result oriented Sub Committees (procedures sub-committee, legal sub-committee, ICT sub-committee and facilities sub-committee);
- An approved programme of work by the joint steering committee;
- The completion and signing of the Bilateral Agreement and the Legal Framework;
- The adoption of clear and agreed Procedures; and
- A successfully implemented change management programme.

6. Results Achieved

The results achieved to-date have been:

- The granting of extra territorial authority to government agencies which is exercised in both territories within the Common Control Zone
- Infrastructure upgrading and modifications to make OSBP operational;
- Negotiated OSBP procedures acceptable to both government agencies and the private sector;
- Both passengers and commercial traffic stops only once to complete border formalities for both countries in one facility;
- Waiting times for commercial traffic have been reduced from about 4-5 days to a maximum of two days and often to a few hours; and
- Clearance times for passengers on buses (76 seater) have been reduced from about six hours to less than two hours

7. Lessons Learned

The lessons learned from Chirundu which could be applied to future OBPS are that:

- It would be a much more simple exercise to operate an One-Stop Border Post if it was designed as such from the on-set instead of having to modify physical infrastructure after it has been built and to adjust procedures to take account of the limitations of the physical infrastructure. This has implications for the coordination of the process of designing an OSBP. In Chirundu sub-committees dealing with ICT, Facilities, Procedures and Legal were established but these should be established even before the design work on an OSBP starts.
- The work of the sub-committees needs to be guided by a work programme with a realistic budget from the set-up of the sub-committees. This budget can be financed by the countries concerned, the Regional Organisations or the donors or a combination of these but it is essential that the budget is available to the sub-committees in a timely and non-bureaucratic manner to allow them to meet at regular intervals.
- Strong political drivers at the highest levels are essential and there must be an agreed Memorandum of Understanding or agreement of some sort on the proposed OSBP. This

must be accompanied by a legal framework allowing extraterritorial authority for purposes of implementing an OSBP system.

- Consultative meetings at national level are required before convening a stakeholder meeting involving both countries. The national steering committee meetings enabled the public sector and the private sector in each country to deal with their internal issues and bridge their gap before engaging each other at a bilateral level.
- The process of introducing a one stop border post should also be accompanied by a change management process and failure to adequately address this issue with the seriousness it deserves could lead to poor or non-implementation of the border as an one stop border post.
- There is a need for the Steering Committee responsible for the implementation of the one stop border post to sign off on the procedures, preferably by putting these in the Memorandum of Understanding that has allowed the establishment of the OSBP, and to stick to these procedures if at all possible. Failure to stick to agreed procedures will delay implementation and necessitate multiple design and works contracts to be awarded.
- It is important to involve the private sector in the design of the OSBP, and in the sub-committees from the very start of the process.
- Agencies need to be computerised and linked to a single window system and all agencies need to be connected electronically.

8. Conclusion and Applicability

The success of the Chirundu OSBP which is sub-Saharan Africa's first truly OSBP has largely been due to close partnership of the public and the private sectors with technical support from TMSA and COMESA.

So far, tangible positive results have been recorded on both passenger and commercial clearance. It is for this reason that the concept could be replicated throughout the region and so facilitate trade and reduce costs associated with waiting times.