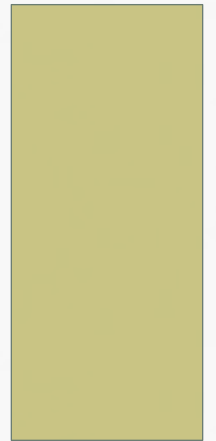


OSBP CASE STUDY

LYNN HARMON, MANAGING DIRECTOR, CDC

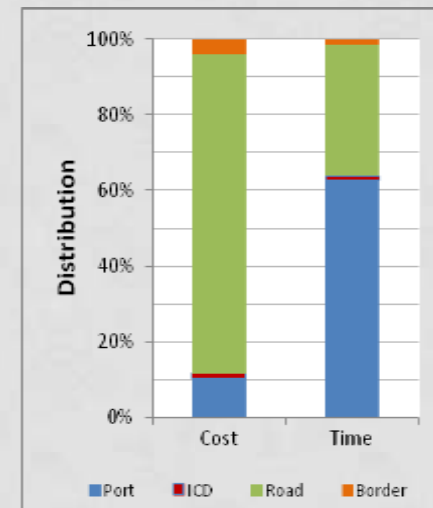
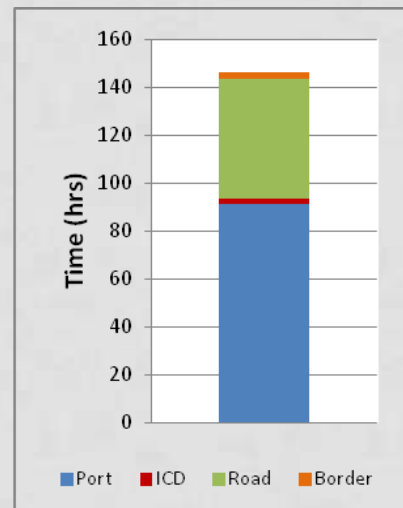
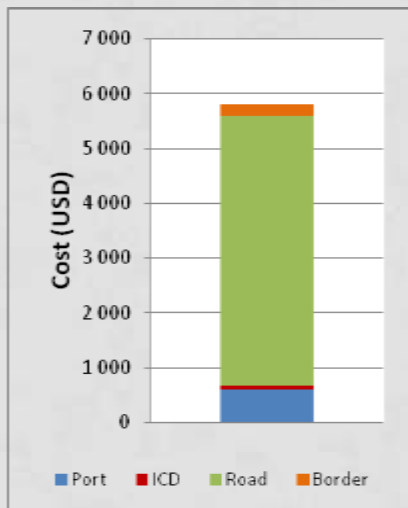
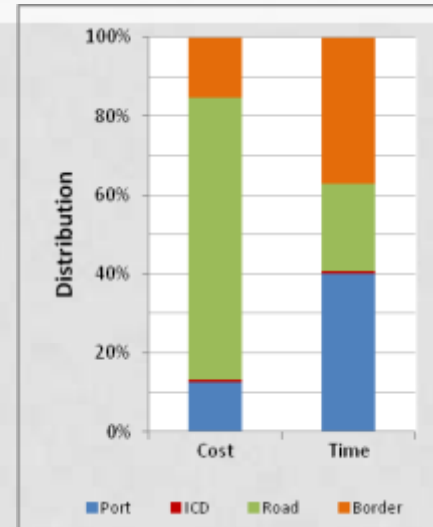
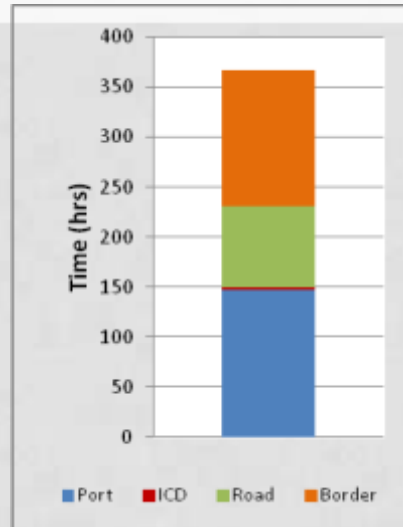
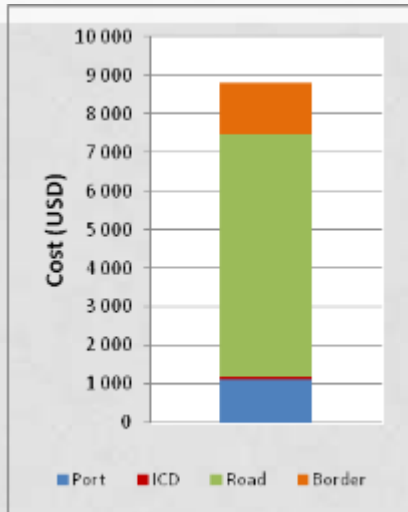


OSBP OBJECTIVES

- To reduce the number of stops incurred in a cross border trade transaction by combining the activities of both countries' border organisations at a single location [in each direction for juxtaposed facilities].
- To increase the effectiveness of cross-border controls through greater data sharing and cooperation.



TIME AND COST DISTRIBUTION(2009)



THE NEED - SPEED MATTERS

- Trade has been a major driver of African economic growth and receives increasing emphasis in national development plans.
- Shippers demand high performing corridors that reduce cost and time spent on transport and logistics and increase the reliability and predictability of the corridors.
- Developing countries generally hold double the inventory of industrialized countries. At 15-20% interest rates, high inventories can cost 2% of GDP.
- Trade facilitation is key to continued trade growth. WB Study indicated 75% of delays worldwide are facilitation, only 25% are infrastructure.

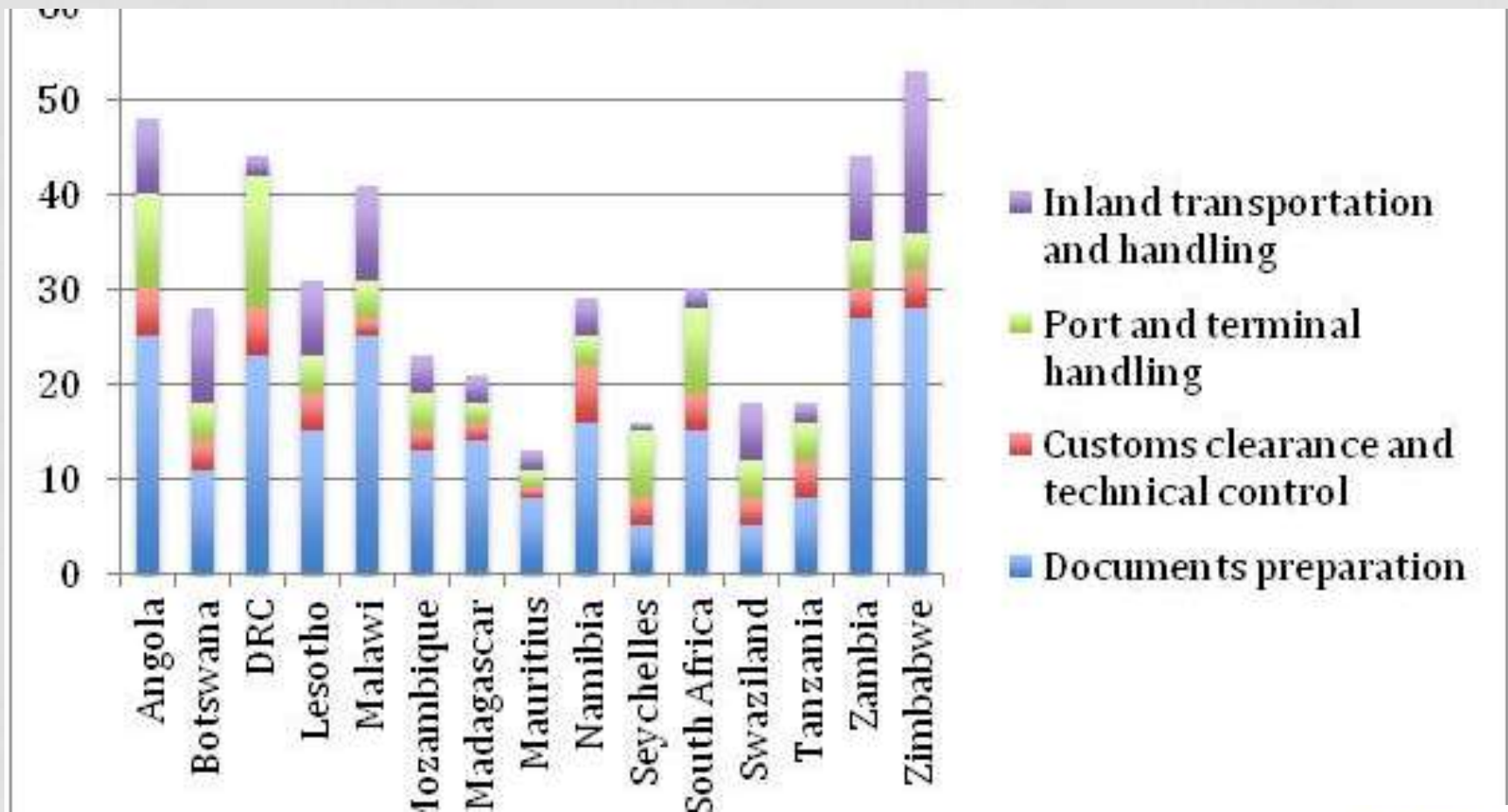


THE COST OF DELAYS

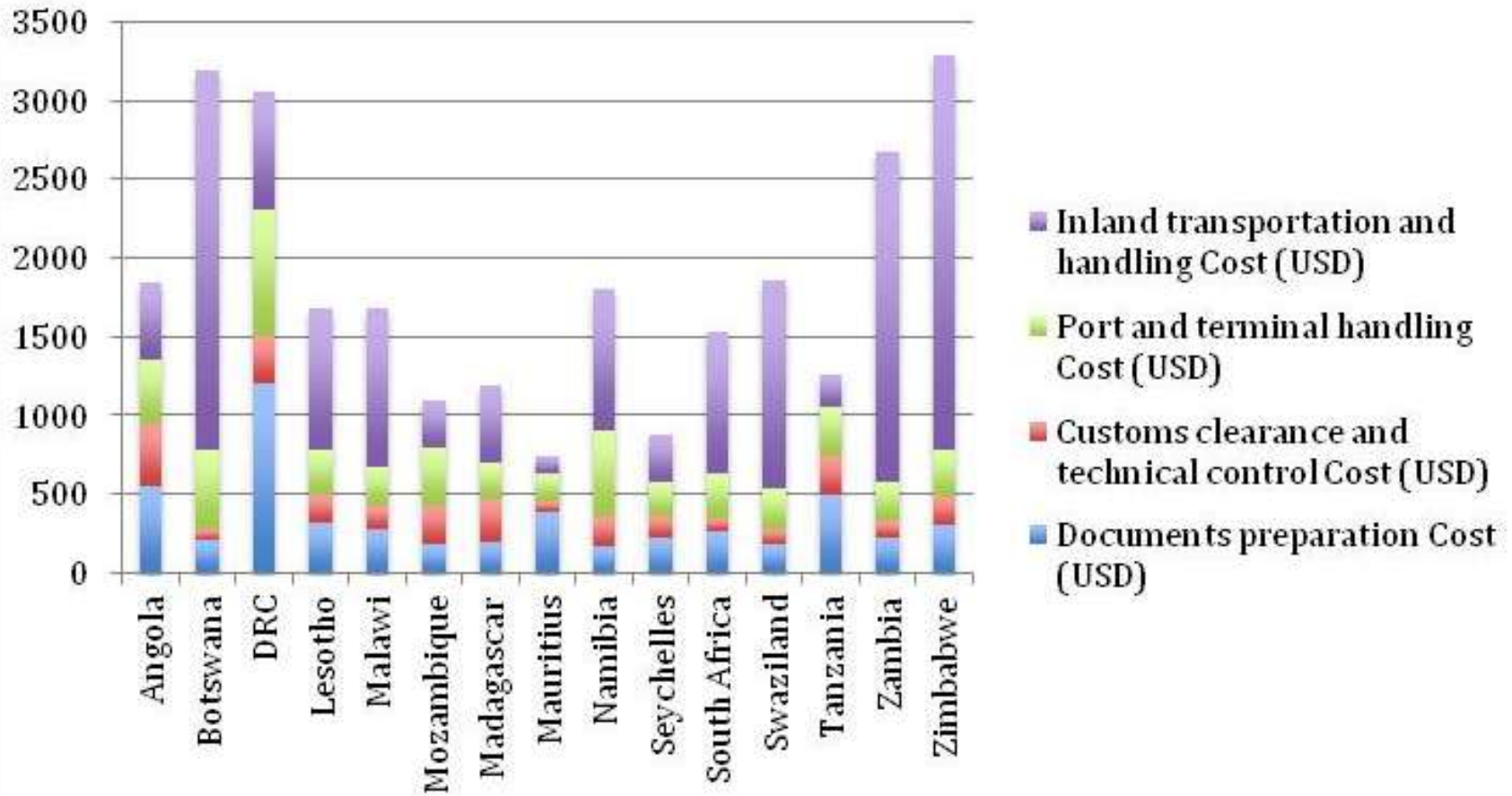
- Cost of 3-5 days at the border
 - Daily fixed cost per truck: US\$250-600
 - Total 3 days: US\$750- US\$1800
 - Total 5 days: US\$1250-US\$3000
- Cost of increased inventory
 - Goods worth US\$2-5000 per tonne
 - Cost of increased inventory per day per tonne: US\$0.75-\$2.5
 - Load of 28 tonnes, predictability hedge of 30 days
 - Unnecessary inventory cost: US\$630 – \$2100
- One day's delay is estimated to reduce trade by 1% or the equivalent of distancing a country from its partners an additional 70 km.



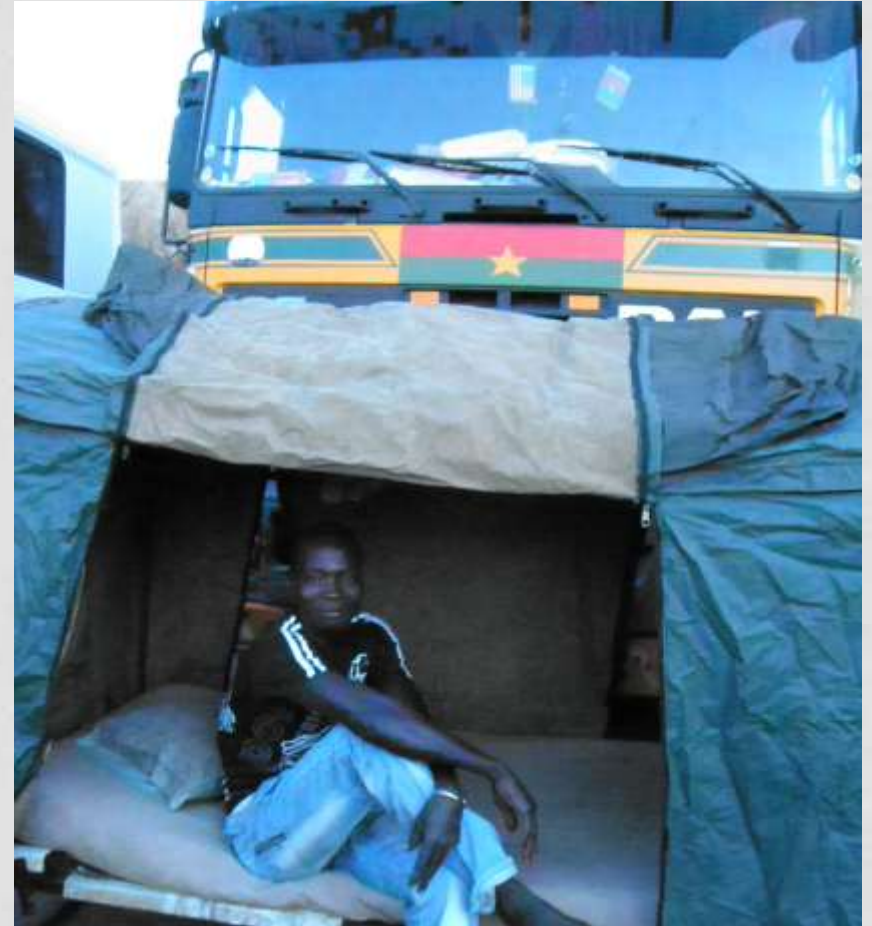
TIME TO EXPORT IN DAYS



COST TO EXPORT (US\$)



MAKING THE MOST OF THINGS!



BORDERS

- Challenges
 - Increasing number of agencies at border each with its own controls and own management
 - Two national systems
 - Increasing traffic at borders
 - Little increase in staff levels
- New Trends
 - JBP
 - Integrated border management
 - Increased use of ICT



CURRENT BORDER CROSSING PROCEDURES



Zimbabwe



Zambia



B
O
R
D
E
R

C
R
O
S
S
I
N
G



Pol	Imm	Cus	MoT	Other
-----	-----	-----	-----	-------

Pol	Imm	Cust	MoT	Other
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Pol	Other	MoT	Cust	Imm
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Pol	Other	MoT	Cust	Imm
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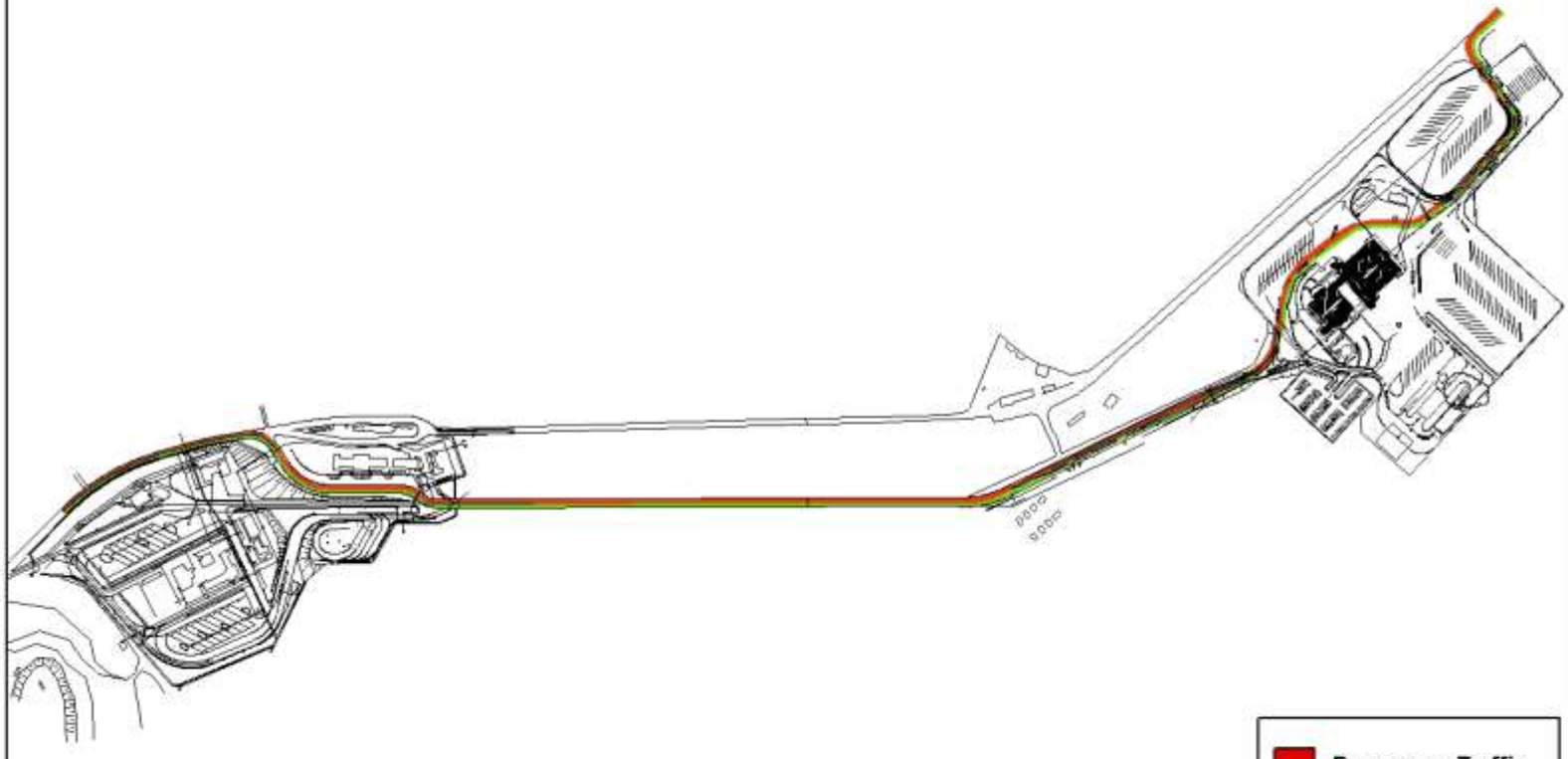
CHIRUNDU CASE STUDY


OSBP
ONE STOP BORDER POST



TRAFFIC FLOW

Southbound Traffic



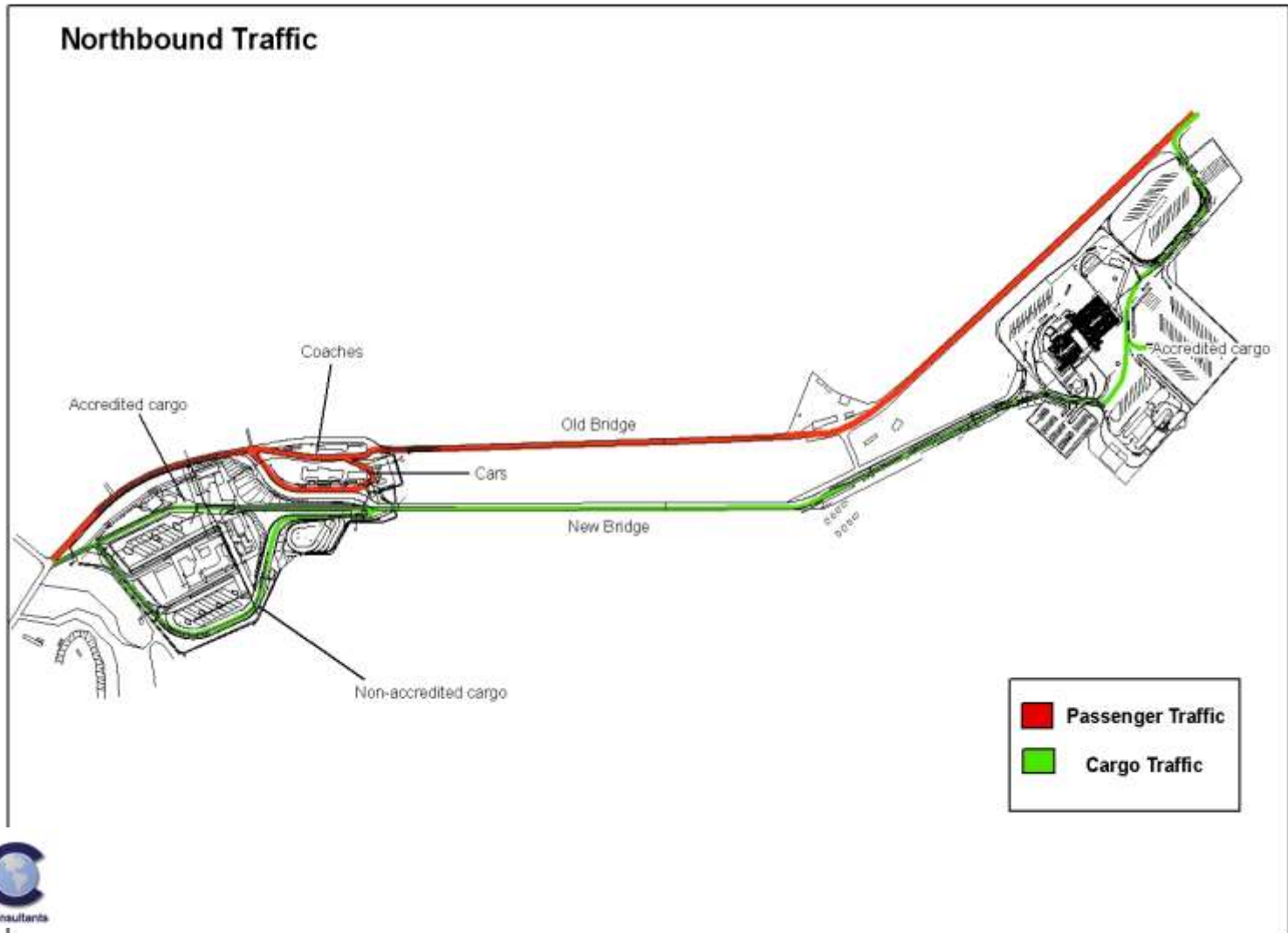
	Passenger Traffic
	Cargo Traffic

USING EXISTING INFRASTRUCTURE

- Baseline Study
- Loaded vehicles and delays North-bound.
- Separated passenger traffic to one lane bridge.
- Concentrate on freight delays.
- Created a fast track and freight booth.
- System depended on ICT connection within the common control zone..



PROCEDURE FLOW



CHIRUNDU ONE STOP BORDER POST

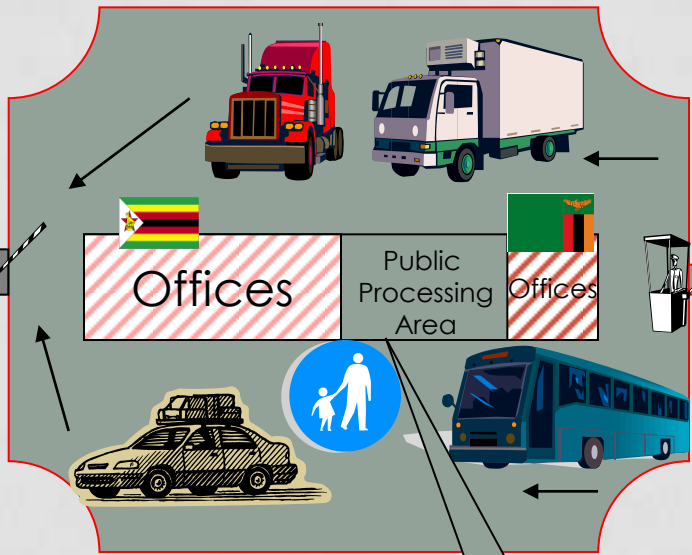


Traffic leaving Zimbabwe →

BORDER

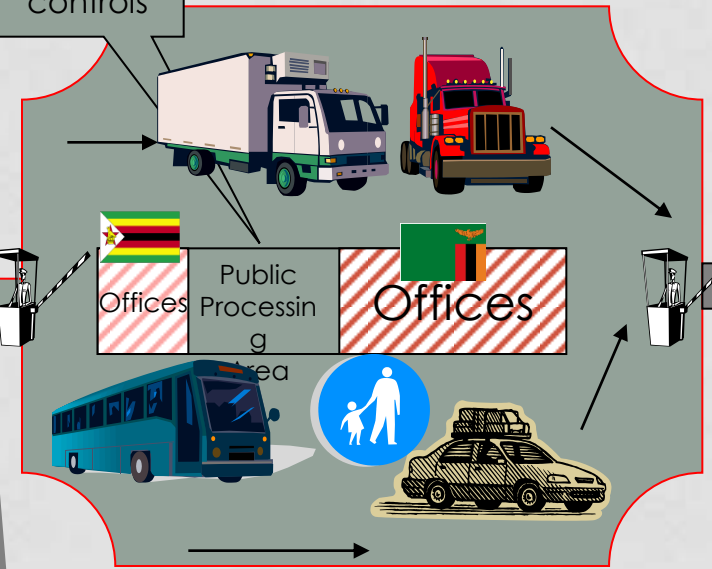
Zimbabwe exit controls & Zambia entry controls

Zambia exit controls & Zimbabwe entry controls



Traffic entering Zimbabwe

Traffic entering Zambia



← Traffic leaving Zambia

Zimbabwe: Exclusive Use Areas

Common Control Areas with secure perimeter

Zambia: Exclusive Use Areas





Hard Components

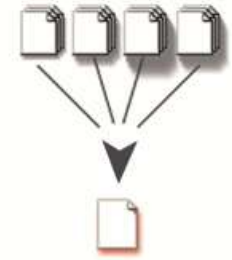
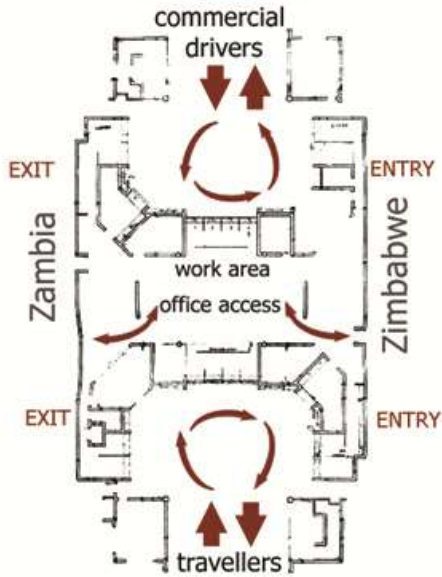
Soft Components

Purpose-built facility

ICT single data entry

Streamlined procedures

Supporting legal framework



Developing a border management information system
Developing IT border applications

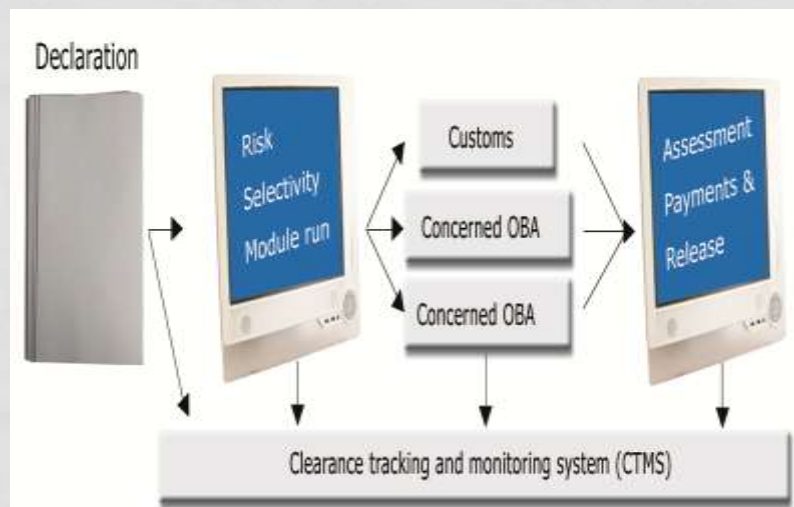
Reduced forms
IT inspections
Swift handoffs

Bilateral Agreement:
establishing operating principles

Seamless flow for user and agency officers

DOMESTIC IBM

- OBAs access declarations in ASYCUDA
- OBAs' risk selectivity profiles entered in ASYCUDA
- Alerts to OBAs on consignments of interest
- Coordinated, parallel interventions
- Systematic handling of clearance risks
- Integrate border and corridor transit systems



CLEARANCES



BENEFITS

- At Chirundu clearances for buses and passenger cars is about half what it was previously.
- Freight times have also been reduced quite dramatically – from three days to one for most.
- There is greater sharing of information on risks
- Greater coordination of clearances
- Sharing of equipment
- Continual improvements in processing

BEFORE AND AFTER



LESSONS LEARNT



- Select a lead Ministry
- Select a project manager
- Involve all agencies at hdqrs and border
- Simplify procedures, expedite transit, insure connectivity, improve use of ICT applications
- Begin legal framework early
- Plan for efficient workflow and coordination
- Training before opening and after is essential
- Steering Committee and Border Committee

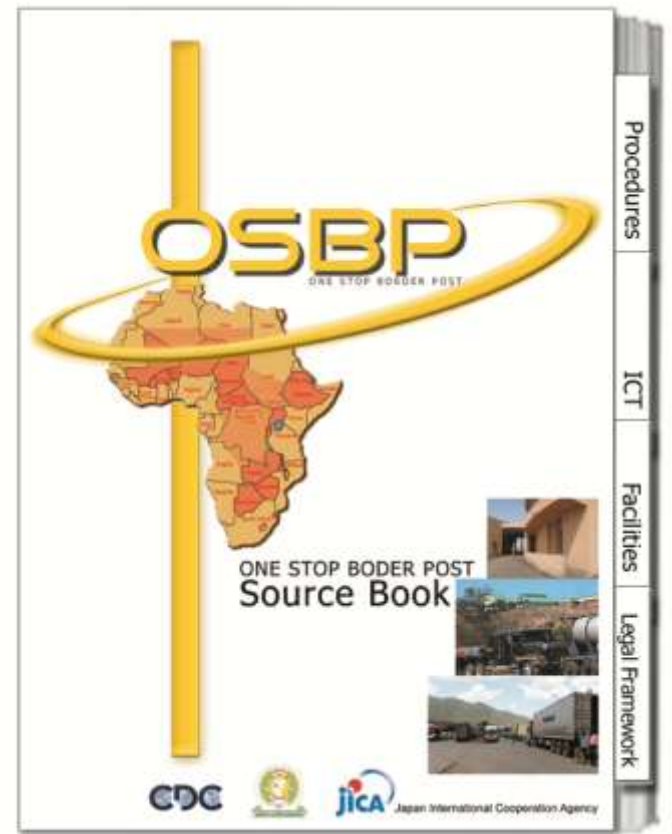
TRANSPORT CORRIDORS



- Approximately 22 Corridors under consideration for OSBP conversion.
- Some Feasibility Studies.
- Once law passed nationally can apply to any border. BA model.
- Customs working groups, add OBAs to procedures work.
- Important to connect corridor CCZ, borders on Corridor— "clearing in motion"
- Smart Corridors.

SOURCE BOOK OBJECTIVE

- Provides useful information on OSBP implementation and management
- Captures lessons learned to 2011 and case studies
- Presents them in a topical way for easy reference as specific problems are faced
- Will be updated as new information is available – an evolving source book



OTHER REGIONS

East Africa

- Over 8 under construction
- About 20 total, mostly juxtaposed
- Control zone, national, extraterritorial jurisdiction required.
- Regional Act, CU Act, common regulations and procedures; need OSBP procedures
- ICT applications/training in process

West Africa

- 3 under construction
- About 20 planned, mostly wholly in one country
- Control zone transferred to REC, extraterritorial jurisdiction required.
- Regional Act; procedures in process
- Electronic transit approved for pilot

NIGER/BENIN BORDER



WEST AFRICAN MODEL



WEST AFRICAN MODEL

Module 2

