



United Nations
Economic Commission for Africa

**The Twenty Third Meeting of the Intergovernmental
Committee of Experts (ICE) of Southern Africa**

**Theme: Trade Facilitation in Southern Africa: Bridging the
Infrastructure Gap**

Concept Note

**26-27 October 2017
Bulawayo, ZIMBABWE**

Background

The Intergovernmental Committee of Experts (ICE) is a United Nations (UN) General Assembly policy sub-organ of the Economic Commission for Africa (ECA) Conference of African Ministers of Finance, Planning and Economic Development established to provide a forum for engaging member States' senior policy makers (Senior Government Officials) on policy and programme-related matters in each of the five (5) sub-regions of Africa. It is an integral part of ECA's governance machinery and meets annually to consider, provide guidance and endorse the formulation and implementation of the programme of work in line with the priorities of each sub-region and issue recommendations with a view to ensuring that the development imperatives of the sub-regions are fully reflected in the overall work programme of ECA. The ECA Sub regional Office for Southern Africa (SRO-SA) based in Lusaka, Zambia is one of the five sub-regional offices and serves eleven (11) member States; Angola, Botswana, Lesotho, Malawi, Mauritius, Mozambique, Namibia, South Africa, Swaziland, Zambia and Zimbabwe. A three-member Bureau, consisting of a Chair, Vice Chair and a Rapporteur, elected at each ICE session, and serving until the next session, is the executive arm of the ICE and works closely with the Secretariat during the year. The Secretariat consults with the Bureau in selecting a theme for the next ICE Session.

The 23rd ICE of Southern Africa will be hosted by the Government of Zimbabwe under the theme; **“Trade Facilitation in Southern Africa: Bridging the Infrastructure Gap”** on 26-27 October 2017 at the Holiday Inn in Bulawayo. This follows the successful 22nd Session hosted by the Government of Malawi on 17-18 March 2016 in Lilongwe under the theme **“Implementing the SADC Industrialization Strategy and Roadmap: Options and Prospects”**. This meeting proffered recommendations to accelerate implementation through domestication of regional aspirations.

The 23rd ICE will focus on trade facilitation challenges and will specifically discuss trade, focusing on the physical and non-physical infrastructure impediments to trade in Southern Africa and proffer recommendations to bridge the gap. The volume and flow of trade is affected by various internal and external factors including tariff and non-tariff barriers, the quality and quantity of physical and non-physical infrastructure and the market structure of the relevant service providers. This ICE session will interrogate these challenges which collectively contribute to increased transportation and logistics costs are impediments to efficient trade. For landlocked countries in Southern Africa: Botswana, Lesotho, Malawi, Swaziland, Zambia and Zimbabwe, additional peculiar challenges to efficient trade include the high transit and trade transaction costs due to the lack of territorial access to the sea and remoteness from major international markets. This further erodes competitiveness of tradeables from these countries. The logistics costs of landlocked countries are double those of other emerging economies and three times those for developed countries and such high transport costs are more restrictive to trade than tariffs barriers (World Bank, 2010).

The close association and causality of trade, transport and transit costs, infrastructure and economic growth makes all these issues particularly important in overall socio-economic development and trade competitiveness. Infrastructure development and maintenance is a priority for accelerated regional integration economic development and trade and the critical importance of infrastructure as an enabler of trade is alluded to in various regional and international pronouncements. For example, the Doha Development Agenda and the United Nations Almaty Programme of Action and its successor Programme, the Vienna Plan of Action (VPoA)¹ targeted at addressing the special needs of landlocked developing

¹ UN-OHRLLS (2016) Africa Regional Report on Improving Transit Cooperation, Trade and Trade Facilitation for the Benefit of Landlocked Developing Countries.

countries identifies infrastructure development and maintenance as one of its six priority areas. Similarly, at regional level, the Tripartite Trade and Transport Facilitation Programme and the Regional Protocols of Trade and, at continental level, the NEPAD Short-Term Action Plan and the Programme for Infrastructure Development in Africa (PIDA), all endeavour to improve infrastructure as an anchor for socio-economic transformation, through enhanced trade competitiveness. For Southern Africa, infrastructure is one of the three pillars of the Tripartite and the focus is on improving access infrastructure to increase the efficiency of the internal trade and transport network (road, rail, pipeline, water and air), energy and information and communications technology (ICT). The other two pillars of the tripartite, also central to trade and strengthened regional integration, are market integration and industrial development.

The positive correlation between high quality infrastructure and effective transit management systems makes the development of efficient infrastructure an integral part of industrial development and trade promotion since quality infrastructure shortens transit times and thus results in lower costs of haulage and overall costs of trade. Infrastructure has a direct impact on handling capacity for imports and exports, distribution route development, the frequency of shipments and costs of freight handling, storage and distribution. Although the development of transit corridors connecting landlocked countries has improved transit management in the region and contributed to lower costs of trade, these corridors need to be transformed into economic development corridors to anchor socio-economic transformation (UN-OHRLLS, 2016). The development of corridors that cross multiple national borders requires infrastructure which consists of “hard infrastructure” such as ports, railways, highways, cargo transshipment facilities, national border facilities, weighbridges and inland container depots as well as “soft infrastructure” such as laws, regulations related to border crossing and organizational systems.

The focus of initiatives to address the trade facilitation challenges world-wide has been on improving both physical and non-physical infrastructure and strengthening cross border cooperation. In addition to addressing gaps in physical infrastructure such as roads, rail, inland waterways, non-physical infrastructure bottlenecks such as high trade transactions costs, trade facilitation inefficiencies, rent-seeking activities by service providers along trade routes, inefficient and bureaucratic procedures inefficient private sector services along routes, deficiencies in supply chains and deficiency in trade and transport policies have also been part of the focus of strategies to enhance efficiency. Measures to address soft infrastructure issues such as simplifying export requirements, harmonizing procedures and documentation, standardizing commercial practices, reducing bureaucratic interference and police roadblocks on transit routes and improving transport logistics, development of road customs transit documents, customs bond guarantee schemes, harmonized vehicle weights and dimensions and road transit charges have been implemented as part of regional strategies to enhance trade. Similarly, hard infrastructure to facilitate trade flows such as construction of one stop border posts and dry ports, improvement in roads and rail systems, energy and power, roadside facilities and intermodal facilities are being implemented across Southern Africa. However, infrastructure gaps still exist and the 23rd ICE will provide a platform to reflect further on strategies to close such gaps in order to improve trade flows and overall trade competitiveness.

Objectives of the 23rd ICE

The 23rd Session of the ICE will: (i) review the social and economic conditions in Southern Africa (ii) consider and endorse the implementation of the programme of work of the ECA Southern Africa Sub-Regional Office, the planned programme of Work and the budget for 2018; and (iii) review the Implementation of regional and international agendas, including NEPAD and other special initiatives in

the sub region. In reviewing the work programme, the delegates will proffer recommendations towards ensuring that the development priorities of the sub region are fully accommodated in the work of ECA to align technical support provision to member States and RECs to these priorities.

In addition to executing its Statutory Mandate, the 23rd ICE will also discuss trade facilitation, regional integration and infrastructure through the review of the study on **“Trade Facilitation in Southern Africa: Bridging The Infrastructure Gap”** as well as the recommendations of the Ad Hoc Experts Group Meeting on **“Deepening Regional Integration in Southern Africa: The role, prospects and Progress on the Tripartite Free Trade Area”**.

The focus of the discussions on trade facilitation in Southern Africa will be on addressing the infrastructure-related impediments to trade in the region and mechanisms and strategies to address the identified challenges. Specifically, the delegates and participants will discuss:

- The nature of trade in the region - the commodities, volumes and direction of the trade;
- The regional, continental and international frameworks for promoting and facilitating trade, including bilateral and multilateral agreements;
- The trade facilitation challenges for both coastal and land-locked states in Southern Africa;
- The gaps in both physical and non-physical infrastructure and the assessment of specific regional mechanisms to address the infrastructure-related impediments to smooth trade; specifically, the focus will be on;
 - the gaps in physical infrastructure such as ports, roads and rail infrastructure, inter modal facilities, ICT and roadside facilities and the impact of these gaps of trade;
 - the gaps in non-physical infrastructure such as policies, documentation and procedures, institutions and capacities, regional transit regimes, transit stops and customs and immigration procedures and the impact of these gaps on trade; and
 - recommendations to address the gaps in the short, medium and long-term for all stakeholders.
- The impact of and progress in the roll-out of regional strategies to address the infrastructure gaps; and
- The progress and prospects on deepening regional integration in Southern Africa through the TFTA.

Format

The 23rd ICE will be held in plenary and will comprise of presentations and discussions of parliamentary reports prepared by the Secretariat on; (i) Social and economic conditions in Southern Africa (ii) Implementation of the programme of work of SRO-SA and planned work for 2018 and (iii) Implementation of regional and international agendas, including NEPAD and other special initiatives in the sub region.

The findings of the study on, **“Trade Facilitation in Southern Africa: Bridging The Infrastructure Gap”** will be presented for the consideration of delegates and participants. A moderated experts panel discussion will reflect deeper on trade facilitation, infrastructure and regional integration in Southern Africa and will proffer recommendations.

The delegates and participants will also review, refine and adopt the recommendations of the Ad-hoc Expert Group Meeting on “**Deepening Regional Integration in Southern Africa: The role, prospects and Progress on the Tripartite Free Trade Area**”.

Expected Outcomes

- Enhanced understanding of trade flows and trade facilitation in Southern Africa;
- Enhanced understanding of the types and nature of infrastructure gaps impacting on trade in Southern Africa;
- Enhanced appreciation of the Economic and Social conditions in Southern Africa and prospects for 2018;
- Enhanced appreciation of progress and challenges in the implementation of regional and international agendas in Southern Africa;
- Enhanced appreciation of the importance of country profiles as part of the work programme of SRO-SA;
- Enhanced understanding of the role and work of ECA in Southern Africa through SRO-SA and how member States and RECs can access the available technical support;
- Improved alignment of the ECA work programme with the priorities of RECs and the needs of the member States;
- Enhanced understanding of regional integration in Southern Africa and appreciation of the role, progress and prospects of the TFTA; and
- Strengthened debate and dialogue on the regional integration and a consensus on the actions needed to accelerate the pace of regional integration in Southern Africa.

Expected Output

The outcomes of the 23rd ICE will comprise of the following:

- An Outcome Statement of the 23rd ICE reflecting the main observations on issues discussed and recommendations towards enhancing trade through addressing the infrastructure gaps as well as regional integration;
- The approved and adopted work programme for SRO-SA for 2018; and
- Recommendations towards strengthening the thematic report and the parliamentary reports and AEGM recommendations considered by the meeting.

Participants

The ICE delegates and participants will comprise of Senior Government Officials in trade, regional integration and infrastructure from the eleven member States covered by SRO-SA and the representatives of SADC, COMESA and EAC Secretariats. Representatives from other UN agencies, the African Union Commission, the African Development Bank, Civil Society Organisations, the Development Bank of Southern Africa, PAMESA and other Corridors groups, Tralac, customs and immigration, freighting and logistics companies, academic and research institutions, civil society, professional organisations and other ECA Divisions will be invited to participate in the meeting.

Dates and Venue

The 23rd Session of the ICE of Southern will be organized on 26-27 October 2017 at the Holiday Inn in Bulawayo, Zimbabwe where the Ad-hoc Expert Group Meeting on “**Deepening Regional Integration in Southern Africa: The role, prospects and Progress on the Tripartite Free Trade Area**”, which will precede the ICE on 23-24 October 2017, will also be held.

General Information

A comprehensive Information Note for confirmed delegates and participants will be e-mailed prior to the ICE meeting and will also posted on the ECA website. The note will contain useful information on organisational logistics, travelling and immigration arrangements and formalities, visa and health requirements, hotel accommodation and other general information on Zimbabwe.

Contacts

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