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Economic Commission for Africa
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Foreword

The theory of free trade areas and customs unions laid out in the early 1950s (Viner, J.) underscored the positive correlation between trade and growth. This finding was confirmed and supported by empirical data, including the rise of East Asia and South-East Asia over the past thirty years, which was mainly driven by the liberalization of trade and the choice made to produce for the global market. Trade liberalization and facilitation, whether they are the result of national reforms - under regional free trade agreements - or of multilateral negotiations (WTO), contribute to economic growth through various channels: expanded market size; increased returns of scale; more efficient allocation of resources; sharing of technological innovations among partners through FDI, or the need to upgrade services due to competition among the actors concerned.

The increase noted in free trade agreements since the entry into force of the Final of the Uruguay Round[1] (more than 200) confirmed the strategic role of an expanded market in growth dynamics in developing countries as well as among key global economic players. The dismantling or reduction of tariff and non-tariff trade barriers increases the volume of trade between partner countries, promotes access to FDI as well as cross-border investment, and enhances economic interdependence, which, in turn, facilitates political dialogue between states.

As far as North African countries are concerned, the development of trade in general, and of intra-regional trade in particular, has invariably been one of the objectives of national development strategies. Since the beginning of the 1990s, these countries embarked on policies to expand and diversify their markets through the conclusion of various partnerships, ranging from simple bilateral preferential agreements to customs union projects or a common market, to the Association Agreements with the European Union. The Arab Maghreb Union, in particular, set itself - among other missions - the task of building a common market with "... free movement of persons, services, goods and capital". Moreover, the countries in the sub-region are parties to other regional trade agreements targeting entirely or partially similar objectives: the Agadir Agreement (Egypt, Morocco, Tunisia), CEN-SAD (Libya, Tunisia, Mauritania), COMESA (Egypt, Libya, Sudan) and GAFTA (Algeria, Egypt, Morocco, Sudan, Tunisia).

The region has most of the structural factors required for a dynamic market: continuity of the physical space, per capita income, fairly developed infrastructure, cultural and linguistic affinities. Notwithstanding these advantages, however, it is a fact that trade among North African countries remains far short of its potential. Admittedly, intra-regional trade doubled between 2007 and 2013, going up in absolute figures from $ 4.8 billion to nearly $ 10 billion. However, this achievement remains extremely relative, with intra-zone trade accounting for only 4.8% of member countries' total exports. This rate, which is well below the continental average (12%), underscores the still marginal character of intra-North African trade. This is due to several factors, including (i) economic fragmentation, which results from the inefficiency of existing trade agreements, and (ii) significant indirect transaction costs, due to the lack of inter-state cooperation and the shortcomings of national regulatory frameworks.

Studies and analytical assessments carried out over the past decade by several international institutions including ECA (ARIA V) and the OECD (2005)[2], show that indirect costs can account for 2 to 15% of the value of traded goods. Their actual impact on commodity prices and the effectiveness of the trade value chain - as reflected by delays and additional costs for import and export operations - vary depending on the countries and products concerned, with additional costs involved for the preservation of perishable goods or those having a limited life span, not

1 WTO ; Data base on RTAs; October 2012

2 OECD ; Costs and benefits of trade facilitation; November 2005

excluding the risk of irreversible damage. The lack of predictability in terms of time and international transaction costs can lead to foreclosure from the market or discourage potential investors.

Trade facilitation is and must remain an integral part of national foreign trade development policies as well as a tool to support existing and potential free trade agreements. Optimizing benefits from programs for the elimination of tariffs will depend on reducing trade overheads resulting from infrastructural and logistical inefficiencies, the still high number of required paperwork as well as the multiplicity and/or length of border formalities and controls.

To support government action for the operationalization of an integrated, efficient market in North Africa, ECA launched several initiatives during the last five years aimed at enhancing capacities for the formulation of regional strategies likely to underpin an effective policy for the free movement of factors of production, in accordance with the objectives enshrined in the UMA Treaty and the other preferential agreements. These include, in particular, studies, expert meetings, publications on the movement of capital, women entrepreneurship, labor mobility, quantitative analysis of the potential for trade and the development of regional value chains.

A product of the same approach, this study deals with trade facilitation and interstate freight transport, which is another key element of the proposed North African market. The aim is to help promote the growth of trade by proposing, on the basis of a diagnosis of the existing situation in member countries, a regional outline plan to facilitate interstate transport, transit and trade in the North Africa region, along with measures and actions that would sustainably enhance the performance of customs administrations and the quality of logistics services while boosting the economic integration process.

Karima Bounemra Ben Soltane
Director, ECA Office for North Africa

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Acronyms

AACE	African Alliance for E-Commerce
ADB	African Development Bank
ADII	Customs and indirect tax authority
ADR	Agreement concerning the international carriage of dangerous goods by road
BADR	Customs automated database (Morocco)
CETMO	Transport Study Centre for the Western Mediterranean
CNSPCI	National commission for the simplification of international trade procedures
EBRD	European Bank for Reconstruction and Development
ECE	Economic Commission for Europe
EDI	Electronic Data Interchange
EIB	European Investment Bank
GAFTZ	Greater Arab Free Trade Zone
IMF	International Monetary Fund
INCOTERMS	International Commercial Terms
ITC	International Trade Center
LPI	Logistics Performance Index
METL	Ministry of Equipment, Transport and Logistics
NACs	North African countries
NTBs	Non-tariff barriers
(N)TIC	(New) Information and communication technology
OECD	Organization for Economic Cooperation and Development
RKC	Revised Kyoto Convention
SGD	Single Goods Declaration
SGS	Système Généralisé de Surveillance (general monitoring system)
SIGAD	Automated Customs Management System (Algeria)
SINDA	Automated Customs Information System (Tunisia)
ASYCUDA	Automated System for Customs Data
TIR	Transit International Routier
TTFA	Trade and Transport Facilitation Assessment
TTN	Tunis Trade Net
UE	European Union
UMA	Arab Maghreb Union
UN/CEFACT	United Nations Centre for Trade Facilitation and Electronic Business
UN/*EDIFACT*	United Nations / Electronic Data Interchange For Administration, Commerce and Transport
UNO	United Nations Organization
WB	World Bank
WCO	World Customs Organization
WTO	World Trade Organization

General introduction

The numerous initiatives undertaken since the countries' independence to set in motion a dynamic of economic integration in North Africa - Arab Maghreb Union (1989), GAFTA (1996), Agadir Agreement (2001) in addition to bilateral agreements - are yet to translate into decisive steps towards achieving the objectives sought, particularly in the area of trade. North African economies are mostly 'looking past one another', and intra-regional trade remains very marginal, accounting for approximately 4% of the total foreign trade of the seven countries in the sub-region (Algeria, Libya, Egypt, Morocco, Mauritania, Sudan and Tunisia). By way of illustration, in 2013 Tunisia's exports to its two neighbors (Algeria and Libya) were just under 8% of its total exports, against 76.87% to the EU market, and the share of Moroccan products in Mauritania's imports did not exceed 4%, compared with 65% of imports from the EU[3] (see Annex1).

The Maghreb common market project continues to face various impediments which keep the economies of the sub-region in a state of fragmentation. More than two decades after the signing of the Marrakech Treaty, the UMA's Free Trade Area is still in draft form, and the intra-Maghreb market so far remains one of the least dynamic in the world, with intra-regional trade hovering around 3% of the member countries' total imports.

This poor performance can be explained by several factors. Among these is (i) the persistence of tariff and non-tariff barriers to intra-regional trade, and (ii) the significantly high related costs. Péridy (2005)[4] highlighted, in particular, the impact of high trade costs on exports in the MENA region. These costs, which tend to restrict export opportunities, can be explained both by the lack of economic integration and by ineffective national regulatory frameworks. In addition to traditional direct costs (documentation, payment of import duties, compliance with technical and phytosanitary standards, storage costs in bonded warehouses), business transactions are burdened by various indirect costs induced especially by the complexity of import and export procedures, waiting times at borders and the lack of interstate cooperation. The time required for customs and other administrative procedures, logistics and infrastructure shortcomings and the number of checks on the roads are some of the "hidden" costs of cross-border trade, which translate into lost business opportunities and reduced competitiveness for economic operators in the sub-region. Substantial increase in intra-North African trade will depend as much on the efficiency of preferential tariff arrangements in place as on a substantial reduction of indirect costs. This requires that key areas of delay or underperformance be identified and a regional strategy be developed to upgrade regulatory frameworks, border agency services, the quality of logistics services, the availability of information and inter-state cooperation.

Aware of the stakes involved, North African countries have committed, at varying degrees and paces, to trade facilitation policies and programs, particularly since the mid-1990s. Some major projects were launched, especially in Morocco and Tunisia, such as the reform of customs procedures, port reform and paperless processes in connection with foreign trade. In Algeria, significant investments have been made over the last two decades for the construction of roads, ports and airports, and a few facilitation measures for the passage of goods at borders have been taken in Mauritania and Libya. Some progress has been made here and there. According to the World Bank's annual Doing Business[5], between 2006 and 2014 the period (in days) for making a cross-border trade transaction in Tunisia dropped from 25 days to 13

3 According to the statistics of Morocco's Office des Changes, which publishes official foreign trade data.

4 Péridy .N, "Toward a Pan-Arab free trade area: Assessing trade potential effects of The Agadir Agreement", The Developing Economies, 2005.

5 *Doing Business Report*, 2006 and 2014, World Bank (http://doingbusiness.org/).

days for exports, and from 33 days to 17 days for imports. In Morocco, the period was brought down from 31 days to 11 days for exports, and from 33 days to 16 days for imports.

However, this progress was not enough to substantially reverse major trends for the whole sub-region. Intra-North African trade remains marginal, and the sub-region continues to be generally poorly rated by analysts using various international instruments to measure efficiency - Doing Business, LPI (World Bank), IFC (World Economic Forum). According to the AfDB[6], export formalities in North Africa require an average of 23 days and 7 administrative documents, against 10.5 days and 4 documents in OECD countries. The AfDB[7] also points out that some logistical performances in North Africa are, for the most part, determined by practices and support services for trade with the European Union, which do not necessarily meet the special needs regarding the integration of road transport, transit and border controls within the region.

This study on international transport and trade facilitation in North Africa seeks to come up with relevant, sustainable responses to the issue under consideration, in terms of a diagnosis of the current situation as well as the reform programs to be implemented. The overall objective is to assist in accelerating the process of regional integration under the component "Developing intra-North African trade". The specific objective is to promote an increase in cross-border trade flows, through a substantial reduction in direct and indirect costs relating to commercial transactions among the countries of the region, and between them and the rest of the world. An emphasis was placed on the development of interstate transportation of goods and on examining border services, based on information gathered from various stakeholders involved in inter-regional trade[8]. To this end, missions were conducted to interstate border crossings of some UMA Member Countries, as allowed by the political and security situation prevailing in the sub-region. Data or references pertaining to other countries - Egypt and Sudan - were added whenever this was possible, especially in light of the World Bank's Logistics Performance Index (LPI).

The study revolves around six major axes. The first one briefly looks into national policies and existing regulatory frameworks for transport and trade facilitation in North African countries to highlight the link between the legal system and the goal of building a competitive and enabling environment for trade.

The second axis deals with the state of transport and trade infrastructure and their performance level. It also identifies shortcomings in this area which are perceived as an actual or potential source of hindrance to trade between the countries in the North Africa region.

The third axis (i) describes import, export and international transit procedures of goods in the countries visited and (ii) makes a qualitative assessment of the performance of border services on the basis of interview guides with economic operators and interstate transportation/transit professionals. It examines the effectiveness and limitations of the systems put in place in the Maghreb countries, based on indicators regarding the number of documents required, the time required for customs clearance and other costs involved in an import or export activity.

Axis IV deals with "international norms and standards for trade and transport facilitation." This part reviews existing best practices and makes an overview of the efforts made by North African countries to ensure compliance with existing international conventions.

6 AfDB ; Libérer le potentiel de l'Afrique du Nord grâce à l'intégration régionale (Unlocking North Africa's potential through regional integration) ; June 2012

7 AfDB; *op. cit*. p. 130

8 It should be noted that a series of information and data collection missions needed for the study were carried out through direct interviews with various stakeholders (ministries, chambers of commerce, etc.) as well as with the key players concerned (land border services and interstate transportation/transit professionals).

Axis V examines the opportunities and challenges for North African countries relative to the WTO Trade Facilitation Agreement concluded in December 2013 (the Bali Agreement).

Finally, chapter VI introduces a regional outline action plan aimed at improving trade and transport between North African countries. This is a set of practical reforms and facilitation measures in connection with the transport and transit of goods across the main land borders as well as the organization and efficient implementation of control and clearance operations. The plan includes actions of a regional character that should be adopted by all North African countries; they consist in bilateral as well as national actions. Accompanying this plan is a presentation of the roles to be played by government and lead institutions (ministries, chambers of commerce, national customs, national employers' associations, etc.) as well as potential technical and financial partner institutions (ADB, WB, IMF, UNCTAD, EIB, EU, WTO, etc.).

I. Brief review of existing national regulatory frameworks and policies

Trade facilitation is one of the determinants of the economic integration dynamics and trade development at international and regional levels. This notion involves several dimensions, such as reducing times and simplification of standards, procedures and formalities required for the movement, release and clearance of goods for import, export or transit. It also includes the development of infrastructure and logistics operations, the daily management of borders, and - more broadly - the business environment and the fight against corruption and smuggling. A system involving simple, transparent and swift procedures is essential to build a competitive environment that can contribute to the development of trade and make interstate transport more fluid.

In the North Africa region, the ability to eliminate or substantially reduce barriers and impediments hampering trade will depend, first, on the pertinence of trade policies and on the efficiency of the regulatory frameworks set up by states.

1) Objectives and scope of national trade facilitation policies

Analyzing national trade facilitation policies makes it possible for us to realize the efforts exerted by the countries in the sub-region. As mentioned in the introduction, the Maghreb countries visited as part of the data collection mission have implemented a number of policies to promote their integration into global trade through reforms designed to simplify trade procedures. However, there have been mixed results, with the countries concerned falling into two categories: (i) countries that have already taken some major steps in terms of simplifying and promoting the flexibility of formalities concerning foreign trade, customs clearance and sanitary controls (Morocco and Tunisia), and (ii) countries whose facilitation efforts remain insufficient for the time being, the major challenge being to reconcile trade facilitation objectives with the need for effective control of goods in international transit (Mauritania, Algeria and Libya).

I.1 Morocco

Morocco has long been actively involved in the work of regional and international bodies aimed at boosting and facilitating trade. The country participated in the negotiations on the WTO agreement on trade and has subscribed to its core principles, including transparency, through the systematic publication of laws and regulations to ensure that domestic and international operators have better access to information on foreign trade.

An overall process for the facilitation of foreign trade was set up and is steered by the National Commission for the simplification of international trade procedures (CNSPCI)[9], the aim being to simplify formalities, ensure automation of the main services involved, standardize business documents, streamline customs controls through the adoption of a released for free circulation certificate, improve port logistics and ensure progressive liberalization of international road transport of goods.

The main measures and actions taken since the mid-1980s revolve around the five targets below:

- introduction of paperless procedures;
- adoption of a single goods declaration model;
- standardization of trade documents for export and import;
- simplification and automation of customs clearance; and
- establishment of an automated customs networks database (BADR System).

9 The Commission was set up by a circular of the Prime Minister dated 21 July 1986

Introducing paperless procedures in connection with international trade has been a joint effort by several national public and private stakeholders. It was given concrete substance through the establishment of a single window for port formalities[10], with extension to other non-customs areas and procedures planned for the future. Current efforts are focusing on introducing paperless processing to replace paper documents with electronic ones[11]. In this respect, the National Port Agency (ANP) has been fully in charge of the implementation of the "PortNet" project which serves as an information system for the port community and manages all trade document flows pertaining to port operations[12]. Moreover, Morocco grants freedom of transit in its customs regulations to ensure the smooth flow of cross-border goods, and all clearance operations are managed by the "BADR" customs automated system.[13]

The reforms have resulted in a significantly improved procedural system, including the reduction of costs associated with international trade procedures and cargo parking delays in ports and other goods clearance areas. This period is currently around 7 days, against 25 days before 1990; similarly, the clearance time was substantially reduced, dropping from 5 days before 1997 to less than two hours in 2014.

1.2 Tunisia

Tunisia takes special interest in the issue of facilitating and simplifying procedures relating to foreign trade. It has made this a priority of its economic policy through the implementation of an export development program (Tunisian Ministry of Commerce and Handicrafts - MCAT, 2014) which includes four sub-components:

- simplification and automation of customs procedures;
- integration of technical control procedures and consolidation of risk management protocols to significantly reduce imports clearance times;
- use of performance indicators in the logistics relating to trade, mostly for the detailed assessment and collection of data on barriers to the supply chain in trade, transportation and logistics;
- a strategy for gradual compliance with the standards and obligations of the World Trade Organization (WTO); under this sub-component, the aim is to ensure compliance with key standards to increase exports, support initiatives to ensure Tunisia subscribes to multilateral trade obligations and prepare regional and bilateral free trade agreements. The strategy provides for some specific actions, including:
  - standardization and introduction of paperless procedures with regard to administrative documents;
  - simplification of procedures;
  - creation of a virtual one-stop shop.

As regards standardization, the Customs Code enacted in 1955 was replaced by a new code in 2008, which is more in line with the dynamics of the international harmonization of procedures promoted by international organizations (WCO, WTO, IMO). The new text calls for standardized customs clearance and customs control

10 The PORTNET project is an information system for Morocco's port community, offering a single window for foreign trade port formalities. It was set up to help reduce logistics costs through optimal pre-arrival programming of stops and ensure port transit and passage through better understanding of information relating to goods passing through Moroccan ports.

11 Introducing paperless procedures is seen as the optimal step in simplifying international trade procedures and as a prerequisite for the development of cross-border e-commerce.

12 To facilitate the implementation of this platform, work started with container traffic and was then extended to the remaining flows. The Casablanca port, which handles 80% of the flow of goods, was addressed first before extending the system to other ports.

13 The BADR system (in French: *Base Automatisée des Douanes en Réseau*) is the new online goods clearance system in Morocco for both imports and exports. It handles all customs procedures while also integrating new concepts such as anticipation and interactivity with operators. Through the BADR system, the Customs Authority aims to ensure better management and greater effectiveness in the control of customs clearance procedures. It is the pillar on which the concept of electronic customs clearance is based.

procedures applied to border crossing for both imports and exports. The procedures for introducing, filing and registering the accounting documents became compatible with European customs practices for the purpose of trade with EU countries; the Tunisian customs authority has implemented a new selective customs control system to reduce goods border passage times and clearance times.

This policy can be credited with other trade facilitation measures, including the creation of an electronic platform "Tunisie Trade Net-TTN", standardized documentation, institutional reform and customs facilitation.

The implementation of the TTN Facilitation network has led to faster processing of foreign trade operations with automated workflows and optimization of decision making processes. The TTN platform also serves to provide all information concerning administrative services. Several forms and practical information pertaining to import and export operations were hosted there, along with information on the requirements for access to the services requested, the documents required and the time involved.[14]

Tunisia is increasingly betting on facilitating the procedures governing trade with the outside world with a view to achieving a twofold objective: to gain market share worldwide and to enable its economic operators to be competitive vis-à-vis their competitors in terms of delivery times and costs. However, apart from some bilateral agreements, including the agreement on mutual recognition of documents between Tunisia and Libya, the Tunisian foreign trade facilitation policy is yet to take a keen interest in North African cross-border trade, owing to difficulties in negotiating protocols.

1.3 Mauritania

Trade facilitation efforts in Mauritania focused on the implementation of more flexible customs procedures, particularly with the introduction, in July 2010, of the Automated System for Customs Data (ASYCUDA) and the institution of four goods routing circuits through customs:

- a red (high risk) circuit, requiring physical inspection of documents and goods before clearance;
- a yellow (medium risk) circuit, implying clearance after the examination of documents;
- a green (low risk) circuit for customs clearance not requiring inspection; and
- a blue circuit for deferred control, with immediate release of goods.

According to several operators met during the data collection mission, ASYCUDA has significantly improved clearance procedures which can now be completed in less than 48 hours on average, against several days before the new system was adopted. Procedures are now limited to (i) an examination of the customs declaration, (ii) a visit with possibly a physical inspection of goods, (iii) verification of manifest / freight bills, and (iv) the payment of duties and taxes. The checking of goods has been somewhat improved through the application of less stringent inspection measures when the information entered in the declaration matches what is listed in commercial and transport documents. It should be pointed out that no controls apply to export declarations which automatically go through the green circuit.

Also targeted by the facilitation efforts exerted by the Mauritanian authorities was the acceleration of customs clearance procedures for perishable, dangerous or cumbersome goods. To that end, a simplified reporting regime requiring less controls and commitment monitoring was established, with a detailed customs declaration expected after 15 days.

14 For example, regarding the provisional authorization for the removal of goods from a port or an airport, the economic operator can visit the "TTN" website to find out about the requirement for obtaining this document, the documents required, the steps to be taken, the place wherefrom the document can be obtained, the timeframe concerned and the legal reference.

In case of appeal following possible disputes, and as part of the overhaul of the Customs Code, two dispute settlement bodies are to be created: the national customs disputes arbitration commission and the administrative conciliation and customs dispute settlement commission. For the time being, and according to consulted operators, out-of-court settlements predominate; only in rare cases do unsatisfied parties refer their disputes to a valuation committee and to courts as a last resort.

1.4 Algeria

The reforms implemented in Algeria to promote trade facilitation, which are less significant compared to those initiated by Tunisia and Morocco, focused mostly on improving customs and non-customs information systems and revamping port management systems. The Algerian customs authority instituted the unified declaration since 6 April 1986 and set up an automated customs information system in 1995, called SIGAD. This system currently covers 98% of customs offices and has permitted centralized processing of external trade statistics.

As regards simplification of formalities, automatic customs clearance of goods through the risk management system was introduced, with the establishment, in the early 2000s, of a "green circuit" that gives some foreign trade operators - who meet the customs standards of good character - the right to proceed to the immediate removal of goods. However, its scope remains limited, covering only about 20% of goods[15]. The share of "red circuit" checks - which is the opposite of the "green circuit" - remains particularly high, accounting for 80% of international trade transactions.

Current efforts also seek to improve the performance of customs agencies. The Customs Code was revised and revamped, including through the introduction of new concepts in terms of ethical standards and professional conduct by customs staff, inspired by the Arusha Declaration[16] and the Revised Kyoto Convention as well as the relevant provisions adopted within the framework of the MDGs.

To ensure the free flow of maritime traffic, Algeria has initiated a port reform to separate the sovereign mission of port management from actual business activity. Thus, a port authority was set up in 1998 through an amendment of Maritime Code provisions. This authority was entrusted with a port management mission, despite the significant delay noted in installing this authority and making it operational. Generally speaking, most of these reforms are still incomplete or slow to take shape on the ground.

15 Algeria is currently looking into practical arrangements to expand this simplified procedure to a larger number of international traders. To this end, a reform and administrative assistance program was developed to improve the risk management system for export and import operations and achieve the 80% target of green circuit operations.

16 The Arusha Declaration on integrity in customs was adopted in 1993 and revised in 2003. It is a non-binding document that sets out a number of basic principles to promote ethical standards and to fight corruption within customs agencies.

Box 1

Professional's viewpoint: "A still limited impact of reforms"

Facilitating trade to and from Algeria is still hampered by several shortcomings from the legal and regulatory framework perspectives, including the non-implementation of the TIR Convention and of the law on port authorities, the delay in setting up EDI networks and one-stop shops, the lack of a harmonized policy on competition to promote investment and the movement of people, goods and information. As regards transportation and transit activities, deficiencies include the following:

- the predominance of the informal sector, 90% of travels for reward is carried out without invoice,
- a timid start in implementing the Authorized Economic Operator plan (AEO) because of the conditions in which licenses are granted by the Customs Administration,
- the lack of an agenda for the establishment of a harmonized policy for more professional standards in the road transport sector, in line with other modes of transport and in keeping with internationally recognized norms (IRU standards)
- the lack of port communities comprising port users, shippers' organizations and logistics organizations,
- the lack of statutes governing ancillary professions and activities: freight, logistics operators, maritime supervisors and experts, protecting agents ... etc.

In addition to these normative and institutional factors which hinder trade facilitation, there are high transport and logistics costs generated by (i) the virtual absence of export flows which means empty container returns and hence higher freight rates and, (ii) to a lesser extent, low productivity in Algerian ports, except that of Bejaia.

Mohamed Kamel Khalifa; Expert consultant in trade, transportation and logistics

1.5 Libya

Until recently, Libya had remained only moderately involved in international negotiations on trade facilitation. As a result, international standards were poorly integrated into national legislation. The trade facilitation policy is relatively recent in this country, and some measures have been taken to revamp the institutional framework and develop a new customs code; however, the implementation pace of these measures has been considerably slowed down by the political turmoil the country has faced since 2011.

In the medium term, the Customs Administration aims, among other things, to develop an automated customs information system based on the ASYCUDA system, which would be identical to the one developed in Tunisia as part of the overhaul of the SINDA system. The customs authority expressed great interest in adopting an 8-digit HS nomenclature, common rules of origin in the Maghreb and decentralized regional training projects using common teaching materials.

1.6 Egypt

In 2002, with assistance from the IMF, Egypt embarked on a major customs reform involving several measures and trade facilitation tools, including risk management system, post-clearance inspection, pre- declaration, single window (in some ports) and the authorized economic operators system. Together with the implementation of this reform, there was a program to strengthen staff capacity and a mechanism for consultation with the private sector and the port community was set up. In 2007, Egypt joined the Kyoto Convention on the simplification and harmonization of customs procedures and is currently harmonizing its customs legislation in the light of that Convention's provisions.

2. Regulatory frameworks governing trade, transportation and transit between North African countries

2.1 The sub-regional arrangement

In addition to national laws and regulations, trade and transport facilitation between North African countries is also governed by a number of sub-regional and bilateral agreements, the most important of which are the result of cooperation strategies developed within the framework of the League of Arab States (GAFTA)[17] or the Treaty establishing the Arab Maghreb Union (UMA). In 2010, the Arab Maghreb Union initialed an agreement for the creation of a Maghreb Free Trade Area that provided for several implementation tools, including an agreement on rules of origin. The projected trade liberalization scheme provides for various preferential regimes, the aim being to achieve total dismantling of customs duties and charges having equivalent effect on industrial products originating in the region, except for a short list of yet to be defined products, and differentiated abatement rates from 0 to 100% in 4 lists of agricultural, food and fishery products. Negotiations are still underway to determine the content of those lists and adopt a dispute settlement protocol. The medium term agenda for the Maghreb also includes a common customs tariff project and an agreement on mutual recognition of foreign trade documents.

In the area of transport, UMA Member Countries adopted an agreement in 1990 - ratified in 1993 - relating to land transport and transit of passengers and goods between member countries. However, as regards the UMA or other existing cooperation frameworks (the League of Arab States' Greater Arab Free Trade Area and the Agadir Agreement), the implementation level of sub-regional commitments remains inadequate, and this is the main reason why there are many bilateral initiatives.

2.2 Bilateral arrangements

a. Morocco - Mauritania

In August 1986, Morocco and Mauritania signed a trade agreement providing for the movement of tax and duty-free products originating in the two countries, but this agreement has not been effectively implemented. Other agreements, signed in the early 2000s on the setting up a board of businessmen and a free trade area have not been implemented.

Some private sector initiatives have resulted in the signing, in November 2013, of partnership agreements between the *Compagnie de Transport au Maroc* (CTM) Supratours - a subsidiary of ONCF / Morocco, the Tayba company, a subsidiary of the Noueigued group (Mauritania) and the TAL company - *Transport Afrique Logistiques* (Senegal) for the opening of regular land connections between Morocco, Mauritania and Senegal. The aim is to contribute to the development of infrastructure related to passenger and freight transport[18] and keep up with the increase in road traffic and trade in recent years.

17 Great Arab Free Trade Area

18 http://www.lematin.ma/express; 5 November 2013

Between 2012 and 2013, there was a 4.1% increase in truck transit flows at the "Guerguarate" post, which is the only land border crossing between Morocco and Mauritania for goods and passengers, with 23,646 vehicles entering Moroccan territory - 21,649 of which were scanned[19] - and 47,361 exiting it, i.e. a daily average of 194 vehicles.

Table 1: Recent evolution of road traffic between Morocco and Mauritania

Number	2012	2013
Vehicles entering Morocco	**19,571**	**23,646**
Vehicles scanned at entrance	18,107	21,649
Vehicles leaving Morocco	**48,608**	**47,361**
Vehicles scanned at exit	9,356	11,209

Source: Moroccan customs authorities

The number of passengers who passed through the "Guerguarate" border crossing in 2013 stood at 172,000 in both directions (in and out of Morocco), i.e. a 5% increase comparatively to 2012 figures in incoming flows, and a 7 % decrease in outgoing flows.

b. Tunisia - Libya

Trade relations between Tunisia and Libya are governed by an agreement establishing a free trade zone, which was signed in Tripoli on June 14, 2001. This agreement provides for free imports and a total exemption from customs duties and charges of equivalent effect for all products recognized as originating from one of the two countries, except those prohibited by the texts establishing the Greater Arab Free Trade Area (GAFTA), for security, health, environmental or religious reasons. Another convention was adopted which sets out applicable rules of origin and the requirements for issuing certificates of origin by the two countries' Chambers of Commerce.

Preferential treatment is granted to (i) products wholly obtained in one of the two countries, in the customs-based meaning of the term, as well as to Tunisian industrial products (ii) whose value -including the cost of local raw materials, labor and other local products used in their manufacturing- is higher or equal to 40% of their total value, or (iii) products whose Maghreb raw materials value is higher or equal to 60% of the total value of the raw materials used.

Under the accompanying measures, technical control of goods at border crossing is facilitated by an agreement on mutual recognition of certificates of conformity. In Tunisia, these certificates are issued by the *Office de Commerce pour les produits alimentaires* and the *Institut National de la Normalisation et de la Propriété Intellectuelle* (INNORPI) as far as industrial products are concerned, and by the Ministry of Agriculture and Fisheries (OFITEC) for agricultural products.

Most road traffic between Tunisia and Libya goes through Ras Jedir (goods and passengers), and Dhehiba (passengers only). The partnership in trade facilitation between the two countries was enhanced in 2002 with the signing of an agreement making Ras Jedir a joint border crossing as well as the launching of a project - still being developed - to create a logistics and trading zone at Ben Guerdane.

During the 2008-2010 period, Libya was Tunisia's 5th largest trading partner, just behind France, Germany, Italy and Belgium, i.e. countries that are covered by the EU-Tunisia Association Agreement signed in 1995. Libya is Tunisia's first trading partner in Africa and the Arabic world. Tunisia mostly exports food products and construction materials

19 The scanner at the « Guerguarate » border crossing is seen as the key element of the customs control system.

(cement in particular) to Libya; it imports oil and oil by-products. However, the volume of trade has dropped sharply after 2010, due to the combined effects of security issues and the smuggling of subsidized or so-called ‘sensitive’ products. An import and export prior authorization procedure was instituted to rise to these challenges but was cancelled in August 2014. Following political changes in 2011, the two countries set up a commission tasked with engaging a reflection on a project to develop common border areas.

c. Tunisia - Algeria

Trade relations between Tunisia and Algeria are governed by a trade and customs agreement signed in Tunis in January 1981 and by an additional protocol dated 15 May 1991. The agreement provides for the exemption of customs duties and charges of equivalent effect on all products recognized to be originating from the two countries. Preferential treatment is granted to products wholly obtained in one country, and to manufactured products having undergone working or processing in the exporting country up to at least 50% of their total value. This rate is reduced to 30% when raw materials or components originating in the other country were used in manufacturing the products concerned, up to 20% of the product’s value.

This agreement boosted trade between the two countries until 1994, then problems emerged in connection with improper allocation of certain certificates of conformity. In 2005, the two countries began negotiating a new preferential trade agreement (PTA), which was signed on 4 December 2008 and entered into force in March 2014. The PTA stipulates that the two parties must apply to Algerian and Tunisian goods the principle of national treatment with regard to taxes required in the importing country. The agreement provides for exemptions from customs duties ranging from 40% to 100% for certain industrial products, and total exemption from customs duties for a list of agricultural and food products. To benefit from preferential treatment, traded goods must be accompanied by a certificate of origin issued by the competent authorities in the exporting country.

There is mixed passenger and cargo transit at three (3) border crossings (Babouche, Bouchebka and Sakiet Sidi Youssef), five (5) are passengers only (Melloula, Ghar-Dimaa, Kaalet Snan, Hidra and Tamerza), and one (1) crossing (Hezoua) is reserved exclusively for the transit of oil products.

Between 1995 and 2013, Tunisian exports to Algeria rose from 175.2 million dinars to 789.8 million dinars. During the same period, the Tunisian imports from Algeria increased from 169.9 million dinars to 1,925.8 million dinars due to a sharp increase in Algerian oil imports to compensate for the disruption of supplies from the Libya, following the political turmoil in 2011. Thus, as far as Tunisia is concerned, the coverage of imports by exports fell from 89.3% in 2011 to 41.2% in 2013. Cement, chemicals, agro-food, paper and paint are some of the main Tunisian exports to Algeria. Oil and oil by-products, gas and iron are the main products imported by Tunisia from Algeria.

This brief overview of existing trade facilitation policies and regulatory frameworks reveals sharply contrasting situations from one country to another and fairly significant gaps in terms of the reforms introduced by States, the implementation of regional agreements on trade and the scope of bilateral agreements. The impact of these strengths and weaknesses of the normative framework on intra-North Africa trade is compounded - to varying degrees - by the condition of interstate transport infrastructure, the daily management of customs formalities and the quality of the services provided at borders.

II. Current situation and performance level of transport and trade-related infrastructure

Without prejudice to the intrinsic significance of already concluded or planned preferential agreements, the existence of a network of quality infrastructure is essential for the development of intra-regional trade, growth and employment, as indicated by several recent studies on the subject[20].

The state of transport infrastructure in UMA countries reveals diverse situations in terms of port facilities, rail infrastructure and land border crossings. Road transport remains the most dominant mode for transporting goods between Maghreb countries and for the transit of agri-food products. 99% of trade between Tunisia and Libya and between Morocco and Mauritania is by road.

Other modes of transportation - air and sea - are poorly developed, due to limited quantities of transported goods (except petroleum products), the lack of direct links and especially their specificities, given current needs and the level of development in the sub-region. In this respect, there is a lack of support services and specific infrastructure with respect to these two modes of transportation, as well as a structural difficulty in making such links profitable, given the limited intra-regional trade. Apart from hydrocarbons, international sea transport is rarely used in trade between Tunisia and Algeria, and between Morocco and Mauritania. Where this mode of transportation is used (petroleum products), transport by sea is ensured almost exclusively by foreign ship-owners, particularly from Europe.

A country-based diagnosis of the state of transport and trade-related infrastructure makes it possible to gauge development levels and identify the main gaps or malfunctions that impede intra-regional trade.

1) Morocco: a satisfactory level of transport-related infrastructure and logistics

The analysis of the situation of transport and trade-related infrastructure[21] shows that it is fairly developed in Morocco. The road transport network accounts for 90% of passenger mobility and 75% of the flow of goods (excluding phosphates). Thanks to this infrastructure, there is a circulation of approximately 50 million vehicles/km per day, and a network composed of 57,000 kilometers of paved roads, of which 32,100 km are asphalted roads and 800 km are highways, including 6,000 structures, 56% are bridges and 36% are culverts[22]. Along with the road network there is a railway infrastructure covering almost 2,000 km and carrying over 35 million tons of cargo and 25 million passengers annually. Morocco's *Office National des Chemins de Fer* (ONCF - the national railway authority) has embarked on a major modernization plan to increase capacity on specific routes and build a high-speed train line (TGV).

As regards port facilities, the country has 27 port cities and 30 ports handling an annual traffic of nearly 60 million tons of cargo and tens of millions of people[23]. Port infrastructure has been strengthened with the inauguration of the Tanger-Med port

20 These are studies conducted by the World Bank, IMF, UNCTAD and OECD. The study carried out recently by the World Bank as part of its initiative for the Arab world, called "Arab World Initiative", confirms this conclusion. A description of that initiative is available at: http://arabworld.worldbank.org

21 In terms of contribution to the creation of national wealth, the transport sector contributes an average of 7% of GDP, nearly 6% of the workforce is directly employed in the sector which also accounts for 16% of state budget revenues. The transport sector accounts for 40% of national energy consumption, and between 20 to 25% of the state's investment budget.

22 Data and statistics provided by the Ministry of Equipment, Transport and Logistics.

23 Ibid.

in 2007, which is considered as one of the largest regional development projects. Its container terminal, which had an initial capacity of 3.5 million containers, is expected to reach 8 million containers in 2015.

In the field of aviation, Morocco has 15 national and international airports with an annual passenger traffic of 7 million and 51 million tons of freight. Three airports (those of Casablanca, Marrakech and Agadir) account for more than 90% of the traffic, both goods and passengers.

The regulatory and organizational management of the trade and transport-related infrastructure and the planning of industrial platforms are supervised by the Ministry of Infrastructure, Transport and Logistics (METL) and are implemented by an autonomous institution - the *Agence Marocaine de Développement de la Logistique* - AMDL). The AMDL has launched a national strategy targeting two objectives: reduce the ratio of logistics costs to GDP from 20% to 15%, and accelerate growth through a 5-point increase over 10 years, due to the greater added value that would be created by lower logistics costs and the emergence of a competitive logistics sector (METL, 2014)[24]. The actions implemented are the result of a program contract spanning the 2010 - 2015 period. This partnership between the state and the private sector - represented by the *Confédération Générale des Entreprises du Maroc* (CGEM – General Confederation of Moroccan Enterprises), introduces the broad lines and objectives of the new integrated strategy to promote the competitive edge of the logistics sector and sets out the joint commitments of the state and the private sector (METL, 2014).

As regards logistics platforms, the Tangier-Med free zone is managed by the company operating the Dubai free zone and the container terminal concessions were awarded to internationally renowned companies (Maersk for the first container terminal, and MSC for the second). The Moroccan government plans to build a new port development zone - Nador West Med[25] - consisting of a deep-water port offering significant transshipment capacity as well as an industrial platform.

2) Tunisia: Sustained efforts to improve transport and trade infrastructure

Besides communal roads, roadway infrastructure in Tunisia includes a classified state network and a rural network. The classified network includes a 360km highway and is made up of about 19,750 km of roads, of which 12,750 km (nearly 65%) are paved. There are nearly 2,100 structures and drainage facilities, including 765 bridges with a span exceeding 10m and 343 bridges with a span exceeding 30m. The asphalted road network, which has more than doubled since the country's independence, offers an average density of about 70ml / sq. Km. Across the country, which means a relatively good equipment level. The classified road network is as follows:

- National roads: 3,938 km
- Regional roads: 5,117 km
- Local roads: 2,453 km
- Roads being classified: 1,242 km

In addition to the above roads is a 13,000 km-long network of unpaved rural roads, which is managed under the auspices of the Ministry of Equipment.

Given the country's central geographical position, some of the achievements made recently or that are underway should substantially contribute to facilitating intra-regional trade. They include the forthcoming completion of the Tunisian segment of the Trans-Maghreb Highway, with the support of international financial institutions

24 For more details, visit the website of the Ministry of Equipment, Transport and logistics

25 The port of Nador is due to be operational in 2019, with an initial capacity of 3 million containers, 25 million tons of oil and 7 million tons of coal.

and the Union for the Mediterranean (UfM). This highway is to pass through Morocco, Algeria and Tunisia first, before being extended to Mauritania and Libya. It will be made up of a Nouakchott - Rabat Atlantic axis and a Rabat - Tripoli Mediterranean axis, via Algiers and Tunis. The Tunisian part of the highway will cross Jendouba, Beja, Tunis, Hammamet, Sousse, Sfax, Gabes and Medenine up to Ras Jedir (at the Tunisian-Libyan border).

Several sections have already been completed (Tunis- Hammamet-Sousse-Sfax and Tunis-Oued Zarga), and others are in progress (Oued Zarga-Bousalem, Sfax-Gabes and Medenine-Ras Jedir). However, there have been repeated work disruptions due to the climate of insecurity the country experienced during the 2011-2014 period, recurrent industrial action as well as some land disputes on the Sfax-Gabes section.

Table 2:
Work status concerning the Tunisian section of the Trans-Maghreb Highway

Highway section	Work status	Length in km
Tunis-Sousse-Sfax	Completed, operational since May 2008	239 Km
Sfax - Gabes	In progress since March 2010	155 Km
Gabes - Médenine	Studies underway	84 Km
Médenine - Ras-Jedir	In progress since October 2013	92 km
Trans-Maghreb Highhway: Tunis – Border with Algeria section		
Highway section	**Work status**	**Length in km**
Tunis-Oued Zarga	Completed, operational since February 2006	67 km
Oued Zarga - Bousalem	In progress since May 2012	67 km
Bousalem - Border with Algeria	Studies in progress	70 km

Source: Tunisian Ministry of Transportation

Tunisia has 8 international airports with an 18 million passenger capacity, and 8 commercial ports handling the transit of 30 million tons of freight annually and 1.3 million passengers, mostly cruise passengers.

Table 3: Port and airport infrastructure in Tunisia

Port	Type	Completion / extension date
Bizerte – Menzel Bourguiba	Multi-purpose	1996
Radès	Containers and roll containers	1988
La Goulette	Passengers and cruise passengers	1573 / 1885 / 1996
Sousse	Various sorts of traffic	1925
Sfax	Multi-purpose	1985 / 1996
Gabès	Chemical products	1979 / 1984
Skhira	Oil products	
Zarzis	Oil products and miscellaneous	1988

Airports	Completion date	Capacity (1,000 passengers)
Tunis - Carthage	1970	4,500
Monastir- Habib Bourguiba	1966	3,500
Jerba - Zarzis	1961	4,000
Tozeur Nafta	1980	300
Sfax-Tina	1976	200
Tabarka	1992	250
Gafsa Ksour	1999	200
Enfidha-Hammamet	2007	7,000

Source: Tunisian Ministry of Transportation

In the rail transport sector, and since 2008, Tunisia's railroad network is approximately 2,165 km long. It is connected to Algeria through the Ghar Dimaa - Souk Ahras section, which is no longer in operation. Of this total network, 471 km are standard tracks and 1,694 km metric, of which 65 km are electrified.

3) Mauritania: an insufficient level of transport-related infrastructure and trade

The transport infrastructure in Mauritania - mostly land transport - includes a network of only 2,900 km of paved roads and a little more than 10,000 km of improved and standard unpaved roads. The road network accounts for 90% of passenger traffic and 80% of freight. The traffic flow of goods using the road network was estimated at about 400 vehicles / day according to statistics provided by the Mauritanian border authorities, and about 1 million tons of cargo. Traffic originating from Morocco is headed for Mauritanian cities (Nouakchott and Nouadhibou) and also for Senegal and other West African countries[26] (Gambia, Côte d'Ivoire).

Since a reform introduced in 2005 was implemented, the road transport sector has been fully liberalized. Common carriers and for third-party carriers are the main players, with about 90% share of the market and a predominance of small businesses, especially individual carriers having (just) 1 or 2 trucks. The flow of trade between Morocco and Mauritania in particular has been steadily increasing for freight and passengers alike, despite the moderate quality of roads and the lack of support services and adequate logistics.

During the last ten years, the authorities have strengthened the road infrastructure by paving the Nouadhibou - Nouakchott section[27], which helped facilitate the passage of a large number of trucks and cars coming from or heading for Morocco, Mauritania or other West African countries, including Senegal, Mali and Guinea. Moreover, the inauguration, in July 2013, of the Nouadhibou free zone[28] is viewed as a strong signal for the consolidation of trade-related infrastructure, the port of Nouadhibou offering prospects for trade development not only with Morocco, but also with Mauritania's other West African neighboring countries.

Overall, the trade and transport infrastructure remains insufficient, despite the efforts made by the authorities to strengthen logistics and road services. Other impediments continue to exist, particularly the predominance of the informal sector, which consists

26 An important proportion of traffic consists of used cars bought in Europe by Mauritanian and Senegalese migrants who take them back to their home countries.

27 They are the economic and administrative capital cities of Mauritania respectively.

28 This free zone is expected to lead to the creation of a free trade zone on the Moroccan side, in the "Bir Guendouz" village.

of small operators with a limited truck fleet which is sometimes in poor condition[29], deficiencies in support equipment, procedures that are ill-suited for international transit (customs escorts), and the modest quality of services provided by government agencies and professionals of the road transport of goods.

4) Algeria: Significant investments to develop infrastructure networks

In Algeria, the road and rail infrastructure[30] is fairly developed and diversified, with a total of more than 80,000 km of roads, of which 71% are paved and 25,000 km of main roads, and a railway network totaling 3,973 km. Moreover, the country has adopted a master plan for the development of a road and highway infrastructure network whose main feature is compliance with the highest international standards. The East-West Highway, totaling 1,216 km from one border to the other, is almost complete (1,200 km are already operational).

As regards ports, the country has 10 commercial ports, including 4 for hydrocarbons, and 54 logistics platforms. The Algiers port handles most imports by sea (in terms of both value and volume) but is in a permanent state of congestion. Other major ports, including those of Oran, Skikda and Bejaia, handle approximately 10% of imports.

Moreover, the country has 12 world-class airports, 2 East-West gas pipelines to Europe (GME and TransMed) of about 3,000 km, and a 2,400 km pipeline network for transporting fuel oil and LPG for the domestic market.

5) Libya: low level of trade-related infrastructure

Libya adopted a five-year plan for the period 2008-2012 dedicated to major infrastructure projects with an estimated budget of US$ 83 billion over 5 years, representing 60% of the state's average annual budget. The country's main road runs along the coast from west to east, with some sections between Sabratah and Misratah, and Ajdabiya and Benghazi; it is 550 km long. The country has a total road network of 1,830 km.

As far as rail transportation is concerned, Libya has not had an operational network since 1965. The construction of a line from the Egyptian border to the Tunisian border is one of the government's priorities, the aim being to facilitate trade with neighboring countries and deliver raw materials from inland Libya to ports. Construction of this 1,435 km line started a few months ago but is expected to experience significant delays due to the political, institutional and security instability affecting the country.

6) Typology of weaknesses affecting trade and transport infrastructure in North Africa

The question that always comes back when attempting to explain the limited trade between African countries in general, and those of North Africa in particular, is whether it is the lack of basic trade and transport-related infrastructure that is hampering trade, or whether it is the weakness of trade between these countries that explains the inadequacy of interstate transport infrastructure.

One can argue, in this regard, that the weakness of intra-North African trade is due, among other things, to the inadequacy or poor condition of trade and transport infrastructure. Existing infrastructure serves primarily for extra-North Africa exchanges

29 Information obtained during the consultations conducted with transport operators at the Morocco-Mauritania border.

30 Indicators of the transport sector in Algeria show that it accounts for a 9.7% share in the country's GDP. The sector absorbs 10% of investments.

carried out, 'in silos', with European countries in particular, and also to ensure raw material exports (agricultural products, minerals, petroleum products) and imports of goods equipment and industrial inputs.

Other infrastructure-related limitations have to do with "soft" and "hard" components[31] that are essential for trade facilitation. The inadequacy of "soft" components means the absence of harmonized and simplified procedures at border crossings that are based on international conventions on trade and transport facilitation.

As for 'hard' components, they refer to the inadequacy of related facilities and services, such as rest areas and other support services (fuel stations, vehicle maintenance centers, hotels, safe parking areas, etc.) logistics centers and dry ports, as well as an insufficient number of interstate crossings. Many of these "hard" components -which require significant investments - are lacking at the main border crossings between North African countries. These gaps result from the lack of integrated sub-regional projects and "infrastructure funds" reserved for funding such infrastructure projects that should involve the business community in the process of developing and revamping road and related infrastructure, including through public-private partnerships.

6.1 Weakness of trade infrastructure between Morocco and Mauritania

With just one border crossing, it is clear that ground-based infrastructure (roads, railways) is lacking between Morocco and Mauritania, just like ports and logistics platforms. The bulk of trade between the two countries is by road. Carriers and other road users face many hardships to cross the 5 km distance[32] between the two border crossings. This part of the road is still unpaved and its condition significantly constrains the flow of traffic. Carriers make the trip to the Mauritanian border[33] without any security guarantees or indications. Notwithstanding these difficulties, road transport predominates (compared to air and sea). Land transport services[34] are provided mainly by Moroccan carriers, and the participation of Mauritanian carriers is limited due to a lack of competitiveness in terms of both cost and service quality.

The examination of the organizational setup at the "Guerguarate" crossing[35] shows that it includes customs and security control services (gendarmerie, police, etc.) whose premises are next to each other, but there are no sanitary and phytosanitary control services. *Support services and facilities (banks, insurance companies, post office, restaurants, hotels, etc.) are almost non-existent. When users need such services, they have to go to the town of Dakhla, which is 480 kilometers away from the border.*

Moreover, operators have to go through various procedures, leading to delays and congestion at the border crossing. There are no parking lots for trucks, fuel stations or vehicle maintenance centers. Similarly, there is only one access road. To address these constraints, the "Guerguarate" crossing is being restructured in order to bring it in line with applicable international border standards.

31 According to the World Bank, 40% of transport time is lost at borders due to inadequate procedures, high transportation cost and under-the-table payments.

32 A "no man's land" separates the crossing between Morocco and Mauritania. This English expression means "land belonging to no one". It refers to an uninhabited buffer zone established by the UN.

33 From this point, traffic can take a route other than the one leading to the Mauritanian border crossing where trucks and vehicles carrying goods are supposed to be checked. This represents a disruption of the transportation chain between Morocco and Mauritania.

34 The two countries have an extensive, virtually integrated road network up to the Senegal River. The flow of road transport between the two countries is steadily growing according to recent statistics provided by border agencies, and the transport of perishable products - mainly citrus fruits and food products - clearly predominates.

35 The "Guerguarate" border crossing is nearly 400 km away from the nearest town (Ed-Dakhla) and 1,000 km away from the largest southern city: Laayoun.

Despite these efforts, the impact on trade will be felt only if there is simultaneous upgrading of infrastructure and facilities on the Mauritanian side. The Mauritanian crossing does not meet requirements in terms of support services (adequate working offices, fuel stations, vehicle maintenance centers, safe parking areas, etc.). In addition to this, there is a lack of coordination on the Mauritanian side between administrative border agencies due to the absence of joint controls by customs, non-customs and security services which perform inspections and checks separately[36]. This leads to repetitive documentation verification and frequent stops, making border crossing times a little longer.

Moreover, the difference in business days between the two countries[37] and the lack of coordinated control procedures between different authorities involved at the border pose major difficulties for operators, who find it hard to predict border passage times. This has a negative impact on trade and adversely affects the flow of perishable goods which has been steadily increasing between the two countries.

6.2 Limitations of trade infrastructure between Algeria, Tunisia and Libya

The international transport of goods traded by Tunisia with Algeria and Libya is mainly carried out by road. However, the transport network is largely inadequate because there are no highway connections between Tunisia and its two neighboring countries.

Tunisia's highway network is built around the capital city and is limited to the Tunis-Sfax, Tunis-Bizerte and Tunis-Beja sections. Current work for the development of a new highway linking the Ras Jedir crossing point to the city of Gabes, at an initial phase, with extension to the city of Sfax later on, would, in the medium term, upgrade road transport infrastructure between Tunisia and Libya.

Similarly, the extension of the Tunis-Beja highway to the Algerian border is necessary to facilitate trade with Algeria. On the other side, the road network linking Algiers to the Tunisian border is in very poor condition at the Constantine-Annaba section (about 100 kilometers), resulting in a loss of time and higher costs. Repairing this road will improve land transport of goods between Algeria and Tunisia.

As regards rail transport, the line between Tunisia and Algeria (Ghar Dimaa - Souk Ahras) is no longer operational since the late 1990s due to the security problems experienced by Algeria during that decade. The reopening and development of this line would, in the medium term, improve transport infrastructure and facilitate trade between the two countries.

Few trading relations between Tunisia and Algeria and / or Libya are carried out through maritime transport. Trade conducted via the ports of Rades, Sfax and Zarzis is negligible. Logistical problems and delays in delivery and / or shipping noted in various ports explain the fact that exporters generally prefer to use their own means (trucks) to transport goods from one country to another.

The international transport of goods between Tunisia and its neighboring countries is usually carried out by Algerian and Libyan carriers. This is explained by the high cost of transport in Tunisia (energy costs more than in Algeria and Libya) and sometimes by differences in carriers' working conditions (lack of transport unions in Libya).

There are other impediments affecting cross-border trade infrastructure between the three countries. At the Ras Jedir and Babouche crossings, the only available services are those provided by Customs and other control services. As with other land border

36 Thus, the first checkpoint is that of the gendarmerie, which controls documents and people. Afterwards, the police controls vehicle registration and validation of the obtained entry visa and makes sure vehicle insurance has been paid. Finally, customs authorities check the goods and any documents required for entry into Mauritania, whether they relate to the type of goods concerned or to people.

37 A ministerial decree, which entered into force on October 1st, 2014 in Mauritania reintroduced the universal weekend.

crossings in the sub-region, support facilities and services (banks, insurance companies, restaurants, hotels, etc.) are almost non-existent; one has to go to the town of Ben Guerdane (which is thirty kilometers away) to find these services. Moreover, there is only one scanner for the customs control of goods on the Tunisian side, a fact which affects the speed of procedures as well as traffic flows.

III. Border administrative formalities and services

International trade formalities in North African countries follow a standard pattern, with relatively well-defined channels for import and export operations, except at some specific border posts. Overall, these are procedures and formalities required by public administrations, including customs and non-customs controls. An examination of current practices reveals diverse situations in terms of the number of documents required, the stakeholders involved, the formalities process and the respective performances of the countries concerned.

Significant efforts have been made to simplify administrative procedures, with Morocco and Tunisia achieving some tangible results. In recent years, these two countries are positioned next to emerging countries and enjoy a relatively honorable world ranking. According to the World Bank's Doing Business 2015, Tunisia and Morocco respectively ranked 60th and 71st globally, and 50th and 31st in the performance indicator regarding administrative procedures for cross-border trade. The number of documents required, the time needed in terms of days and the costs of a container are quite close to those observed in OECD countries for export operations. When it comes to imports, however, performance is less satisfactory, and restrictions and other protectionist measures are often enforced to curb the trade deficit or support domestic production. As regards the other countries in the sub-region concerned by the data collection mission (Algeria, Mauritania and Libya), information and data collected at the borders show that there is still considerable room for improvement in terms of both making procedures more flexible and reducing the time required for trade operations.

The documents used are not always standardized, and different paper formats are used, with sometimes redundant information. Operations are disconnected, usually requiring physical travel between several administrative agencies. Coordination between stakeholders is not optimal and does not contribute to the integration of operations in the chain of foreign trade. The complex procedures - especially for imports - affect the storage period of goods and their removal, generating further charges that add to the cost price of products. The only exception that deserves to be mentioned is the agreement between Tunisia and Libya on mutual recognition of documents. Thus, the certificate of conformity and sanitary control of food products delivered by Tunisia is recognized by the Libyan customs authorities, which facilitates procedures for businesses in both countries.

Other impediments exist, particularly the mismatch of the weekly holiday between North African countries, resulting in poor border coordination and slow customs clearance operations. Algerian, Libyan and Mauritanian customs services[38] are off Friday and Saturday, whereas their counterparts in Tunisia and Morocco are off Saturday afternoon and Sunday. This discrepancy results in a significant slowdown of border crossing activity 3 days out of 7, as well as long queues on Mondays and Thursdays, at times forcing carriers to spend the night at the border crossing; they are able to complete formalities on the other side only the following day. Similarly, the lack of networks for electronic data transmission networks - or their incompatibility when they exist - is another impediment to the facilitation of interstate transport and trade.

1) Plethora of paperwork and complex procedures

The country-based review of the process for customs formalities helps to shed light on the diversity and complexity of the applicable standards, and to identify potential areas for improvement and harmonization at the sub-regional level.

38 Mauritania reinstated the universal weekend (Saturday and Sunday) by a decree which entered into force on October 2nd 2014.

Morocco

An examination of foreign trade documents in Morocco reveals a complex legal arsenal, consisting of several texts - laws, *dahirs* (Royal decrees), decrees, orders, circulars and instructions governing the issuance, circulation and reception of documents related to import and export activities. The analysis of these legislative texts shows that there are documents governed by national legislation only[39] (single goods declaration, import or export documents, currencies certificate of foreign exchange repatriation), while others are internationally sourced (TIR Carnet and CMR) and are the result of a convention or a bilateral or multilateral trade agreement.

According to the current regulations, 7 documents need to be produced as part of the import declaration file. They are: the import title; the single goods declaration, non-customs control application (ONSA, MCI, etc.), the commercial invoice, the original transport contract or signed bank letter of guarantee, the certificate of origin of the issuing country and the packing list. Almost the same number of documents is required for an export application: the single goods declaration, the export title, the export notice, non-customs control request (EACCE), the data entry form (*fiche d'imputation*), the commercial invoice and the packing list.

Four (4) categories of actors are involved in foreign trade transactions and formalities:

- Importers, exporters, freight forwarders and other customs brokers;
- Government departments and regulatory bodies (customs, currency exchange office, agriculture, commerce, industry, health);
- Transport of goods and logistics service providers (SNTL, ONCF, etc.);
- Institutions involved in trade financing (banks).

Under this system, importers and exporters must deal with public administrations such as Customs, the National Port Authority, Marsa-Maroc[40] and regulators (Agriculture and Industry). The central role is played by the importer / exporter, the principal 'ordering party' or his freight representative, who remains the main link for the transmission of documents between various stakeholders.

The formalities process involves several stages: preparation/development of import or export application, loading or unloading of the shipment, customs and non-customs controls, and removal or shipping of goods.

39 The reference is to the customs and indirect tax code and the foreign trade act, which is being amended.

40 Marsa-Maroc is a public handling company acting in Moroccan ports which operates in terminals granted by the Moroccan government; it competes with other multinationals such as Maersk and CMA-CGM.

Box 2: Formalities in Morocco

The transaction starts with the conclusion of the sales contract between the customer and the supplier and the sending of a pro-forma invoice which is the basic document of the import and export application (import title, original bill of lading, packing list, customs declaration, etc.).

Upon physical arrival at the port or border crossing[41], the customs authorities take possession of the goods, once the declaration has been filled out and deposited, together with the TIR carnet. Upon receipt of the declaration, the customs officer opens the vehicle, registers the declaration and packaging, thus allowing the shipping agent to prepare a transfer statement, and gives the forwarder a delivery order. The latter fills out a single goods declaration and provides it to Customs and starts any control operations needed with non-customs authorities. Customs validates the physical deposit of the single goods declaration and annotates the '*Redevable*' (to be collected) copy with the words 'filed on......., date and signature', indicating the result of selectivity[42], which can be either AC (compliance certificate) or VP (physical inspection) of the goods by the inspector, rated by the BADR processing system.

At the border crossing between Morocco and Mauritania, the customs inspector checks the documents first (single goods declaration, non-customs control documents, commercial documents, etc.) and annotates the Delivery Note (NDL). If the goods have VP status, the inspector also checks the goods. In this case, the automated customs system calculates the amount of duties and taxes, whose payment results in the validation of the goods' release. Thus, the freight forwarder can report to the bonded warehouse to remove his goods. He gives the release document and the BS (release voucher) to the auditor who authorizes the removal of the goods.

The procedure for customs formalities at the "Guerguarate" crossing also shows the convergence of two methods in the standard procedure described above, which also apply to other transport modes (air and sea).When importing goods from Mauritania, the operator must submit documents to the registration office (single goods declaration, '*Tryptique*'[43], etc.) and go on to the scanner. Following this phase, the customs authorities deliver routing authorization to the place of destination, together with the sealing of the truck or complete road vehicle. The operator can then use his means of transport and start the exit through the import barrier upon the verification of documents by the customs authorities.

In exporting goods, the presentation of documents to the registration office (single goods declaration, '*Tryptique*', etc.) is followed by the passage of the means of transport through the scanner. The truck inspection by visiting agents is an essential formality, even for transit operations. Once the visiting agents' recognition is drafted and the export authorization issued, the final passage of the goods through the Moroccan border can proceed. The single goods declaration and the '*Tryptique*' are recovered immediately after the control officer undertakes the checking at the export barrier[44].

41 When the goods transit by road, they can be the object of TIR Carnet.

42 The decision to undertake a physical inspection of the goods or simply a document control is made by the automated customs system. The aim is to maximize the fluidity of goods clearance times, which takes one hour.

43 Customs passage booklet used as a guarantee for the temporary importation of vehicles; it includes a stub (for the notifier), and two parts, for 'entry' into and 'exit' from the national territory.

44 Information gathered from the interview guide used to interview administrative services at the "Guerguarate" border crossing.

Tunisia

Under the current regulations, the import or export declaration file may comprise four (4) to nine (9) documents. They are: the commercial invoice, the transport title, the certificate of origin and the foreign trade certificate, to which may be added the packing list, the weight certificate, the insurance policy, the sanitary and phytosanitary certificate and the certificate of analysis.

As with other North African countries, foreign trade operations in Tunisia involve several public and private operators. They are the importers - exporters, customs brokers for third parties, departments or agencies in charge of technical controls, customs authorities, carriers and banks involved in trade financing. Formalities are accessible to any person or entity which carries out import and export operations for its own account or for a third party. However, the implementation of these formalities as a main activity is restricted to nationals, except in case of reciprocity by the countries of which the foreign operators concerned are nationals. Moreover, any person wishing to offer services for customs clearance (including freight) must be approved as a customs broker and fulfil certain conditions, such as possession of academic degrees and passing a transit test. However, foreign legal and natural persons may set up "international trading companies (SCI)" whose main line of business is import, export, trading or international brokerage, provided these companies generate at least 30% their annual revenues from the export of Tunisian goods.

The clearance process includes several steps ranging from formalities prior to the removal of goods, through conveyance and commissioning, declaration, assessment and payment of duties and taxes.

Mauritania

The documents required in connection with foreign trade in Mauritania derive from different legal sources. There are documents governed by laws (accounting as instituted by Act No. 66-145 establishing the Customs Code), documents governed by inter-ministerial decrees and orders (insurance certificate, certificate relating to import inspection before boarding) in addition to (a few) documents of international source.

The number of required documents can range from six (6) to twelve (12), the main one being the customs declaration. According to the Customs Code, exports and imports are subject to an "accounting", to be accompanied by other documents such as the commercial invoice, the certificate of origin, the bill of lading, the insurance certificate for the transport of goods and the verification certificate, which is delivered by the *Société Générale de Surveillance* (SGS). In some cases, the number of required documents can go up to 12[45] which, in addition to the above-mentioned six documents, include the sanitary / phytosanitary certificate, the packing list, the transit document, the tax statement, the handling invoice and the import authorization.

The stakeholders involved are more or less the same as in the other countries of the sub-region: forwarding agents, shipping agents in charge of entering transport documents (carrier's manifest module), the customs declarants, whose task is to fill out the declaration before transmission to the ASYCUDA central processing system, government control agencies, including customs and sanitary and phytosanitary services involved in the 'transit' module, as well as statistical agencies and banks.

The process of import and export formalities follows the same pattern as the one observed in Morocco or Tunisia, with some differences which are worth mentioning. Completion of an import or export transaction in Mauritania involves a prior obligation to register with the importers and exporters central registry; only those registered are authorized to carry out such activity, irrespective of their nationality. For each operation,

45 See 2010 version of the World Bank's *Doing Business* report, which is available at: Doing Business online information: http://www.doingbusiness.org / data/exploreeconomies/mauritania#trading-across-borders.

imported (or exported) goods must be declared by natural or legal persons that have secured the approval of a customs broker, or by operators specifically authorized to undertake clearance procedures under the conditions specified by decree[46].

The procedure starts with the submission of the application to the authorized customs agent for customs clearance and for the issuance and input of the declaration into the ASYCUDA++[47] automated customs system (which is used by the Customs Authority and the Foreign Exchange Office). The Customs Code[48] requires, for all imported goods, the filling out and filing of an 'accounting', together with supporting documents.

The main elements checked are the origin, destination, value, tariff headings of goods and the customs regime. In case non-customs inspection is required, together with notification of test results, the procedure may take up to 7 days[49], except in the case of perishable, hazardous or bulky products, for which there accelerated clearance procedures.

Algeria

Import and export formalities start with the signing of the commercial contract, followed by the submission of an invoice which must be stamped, signed and domiciled by the Algerian customer at his bank. To be accepted by customs, the invoice must indicate the country involved in each import or export operation. In addition to the invoice, the import application must include a packing list, which is required at the Customs and which is also used for non-customs control procedures, as well as the original quality control certificate (CCQ) required by Algerian banks to issue letters of credit (*Credoc*). This certificate is normally issued by an authorized and accredited body in Algeria, without prejudice to special information given by each bank on its letters of credit. To date, there is no comprehensive list of approved agencies provided by Algerian administrative authorities; as far as this formality is concerned, it is carried out only through European organizations (Veritas, SGS, Intertek, Cotecna, etc.).

The import or export file must also include the certificate of origin of the goods concerned to benefit - where appropriate - from preferential access under free trade agreements concluded by Algeria. As regards exports, the original certificate must be approved by the Algerian Chamber of Commerce and Industry to be accepted by banks as far as access to letters of credit[50] is concerned.

The stakeholders concerned are licensed customs freight forwarders, who are declarants on the Customs Information System (SIGAD), consignees, carriers of goods, customs authorities and sanitary and phytosanitary control bodies.

The clearance process requires that the exporter, the importer or their declarant / customs forwarding agent draw up an original declaration on letterhead, by product and country of origin.

For non-customs control, the operator must obtain a certificate of conformity from the manufacturer of the goods, marked "Made in ...". Since 2009, a copy of the export declaration is required by the authorities in charge of checking conformity at the border for goods originating from a European country. For imports from the European Union, an EUR.1 certificate is used, which allows the importer to benefit from

46 Decree No. 84.052 dated March 12, 1984, amended by Decree No. 2006-123 dated 14 December 2006.

47 ASYCUDA is based on the client-server approach for sharing processed data between the client (local) and the remote computer (server). This system allows the optimization of response time and preserves the integrity of the database, as each computer concerned performs the tasks for which it was designed.

48 Act No. 66-145 dated 21st July 1966 establishing the Customs Code.

49 According to *Doing Business* 2014; confirmed by Mauritanian freight forwarders.

50 The letter of credit is a generally irrevocable payment commitment by the importer's banker to pay the exporter if the latter furnishes - within the commitment's validity period - documents consistent with those specified in the documentary credit, and which are supposed to attest that the exporter has honored his obligations to deliver the goods; these obligations are usually stipulated in the contract.

the reduction of customs duties stipulated in the EU-Algeria preferential agreements. To be valid, the EUR.1 certificate must include the freight forwarder's ink stamp and signature.

Libya

The import formalities file is based on the original arrival or delivery notice which attests to the arrival of the goods on Libyan territory by land, sea or air. This notice must be accompanied by a set of documents including:

- The commercial invoice indicating the importer's name;
- A document specifying the exporter's name and the nature, brand, value and weight of the goods as well as delivery terms;
- The certificate of origin specifying the country of origin;
- The transport contract (bill of lading for the shipping company or a consignment letter for road freight transport);
- The bank's foreign currency transfer certificate;
- The statistical indicator and proof of preferential access for goods eligible for preferential tariffs.

To export goods from Libya, the application must include a set of documents required by Customs, including the certificate of origin, which is issued by the chamber of commerce, the manufacturer's commercial invoice, the exporter's identification card and the statistical indicator attesting to his status, and the exchange commitment to control the repatriation of foreign currency.

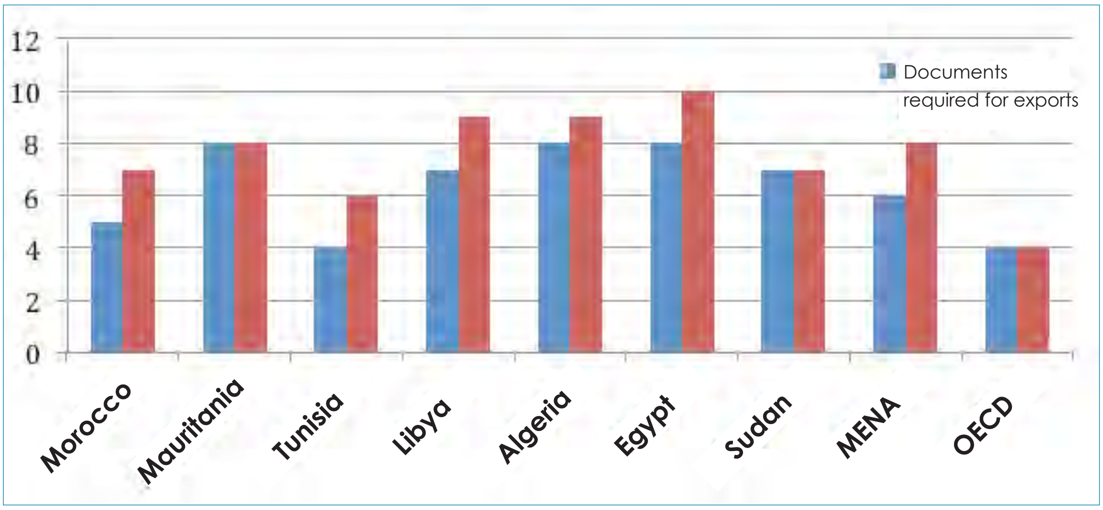
The stakeholders involved are the importers / exporters, or their authorized customs representatives, the banks and the carriers on the one hand and public operators, including ministries and government agencies in charge of customs and non-customs control.

Formalities are largely based on Tunisian practices in view of the close cooperation that has existed in this field for several years between the two countries and the support given to the Libyan government in terms of Tunisian technical assistance on foreign trade procedures in general and customs procedures in particular. Each imported or exported product to or from the Libyan territory must be declared to the customs authorities, in accordance with the Customs Code. This declaration is made by the importer/exporter or his authorized representative. It must be a detailed declaration, with sufficient information on the characteristics of the goods to be exported or imported to determine duties and taxes owed. The declarant must indicate, among other things, the origin, nature and weight of the goods, the country of manufacture and other information on the means of transport and date of arrival.

Figure 1 below, shows that the total number of documents required to import goods is 6 in Tunisia, 7 in Morocco and Sudan, and 8 in Mauritania; the number of documents required can reach up to 9 documents in Libya and Algeria, and 10 in Egypt.

Facilitation of intra-North African trade will hinge, among other things, on reducing not only the number of documents required in each country but also their diversity from one country to another.

Figure 1: Number of documents required for import and export operations



Source: Doing Business 2014, authors' notes

2) Quality of border services

Achieving the objectives of facilitating intra-North African trade will also depend on the performance of the parties responsible for the implementation of policies and standards and for the quality of services provided at the border. This part of the report is dedicated to this question, the aim being to assess the competitiveness of the foreign trade chain, especially during the passage at border crossings. It was developed on the basis of two distinct yet complementary methodological approaches.

The first approach is based on the informational data collected from interviewing a large number of public and private operators in the three border crossings visited:

- "Guerguarate" crossing between Morocco and Mauritania;
- "Ras Ajdir" crossing between Tunisia and Libya;
- "Babouche - El Ayoun" crossing between Algeria and Tunisia.

These interviews concerned various border services namely customs authorities, sanitary and phytosanitary inspection services, security, foreign trade services, carriers, freight forwarders, chambers of commerce and local authorities (*wilayas* and prefectures). These interviews made it possible to gain an insight into the stakeholders' opinion about the state of infrastructure, the efficiency of the supply chain, the swiftness of formalities and the time spent by goods at border crossings. One of the objectives also was to have the viewpoint of interstate transportation-transit professionals on the relevance of regulations, the quality of government services, the level of coordination between control services and the nature of the hindrances impeding the flow of cross-border traffic. Through discussions with stakeholders, some best practices in transport and trade facilitation were identified, which can be disseminated on a larger scale to facilitate trade relations between the countries of the sub-region.

The second methodological approach is based on the use of the World Bank's Logistics Performance Index (LPI)[51] to assess the competitiveness of international trade. This index is developed on the basis of data relating to global foreign trade, not just intra-North Africa trade. It has the advantage of combining different variables that allow the assessment of national performance in transport and trade facilitation, thus

51 The World Bank recently came up with the Logistics Performance Index (or LPI) to demonstrate the contribution of efficient logistics to competitiveness and economic integration.

complementing in situ observations that are more focused on intra-regional trade. The performance of North African countries was evaluated by way of comparison with the average performance in the MENA region and the OECD.

For the record, the LPI index is the weighted average of six dimensions that contribute to facilitation of trade and transport, namely:

- efficiency of clearance procedure;
- quality of trade and transport related infrastructure ;
- ease of arranging competitively priced exports;
- competence and quality of logistics services at borders;
- ability to track and trace consignments;
- timeliness of shipments in reaching destination within the scheduled or expected delivery time.

As seen in Chapter I, the countries of the sub-region have committed to structural reforms with a view to overcoming the weaknesses that hamper trade. However, the efforts made were not sufficient to reduce significant cost distortions and address existing infrastructural deficiencies as well as the lack of coordination between administrative services. Interviews with actors on the ground revealed a still high cost of foreign trade operations due to a combination of two factors:

- the ineffectiveness of the chain of intra-regional trade, itself the result of the high number of documents required, the additional transportation costs and the delays caused by the large number of land checkpoints; and
- the lack of predictability for operators as to delivery times, both for imports and exports.

Inefficiencies regarding trade-related infrastructure - especially those concerning intra-regional trade (border crossings) - are compounded by logistical deficits in countries of origin or destination. Similarly, the lack of coordination between services at country level and between countries leads to poor performance and proliferation of non-tariff barriers, even under preferential trade agreements and arrangements (UMA[52] and GAFTA[53]).

These are some of the factors that have been repeatedly raised during the consultations with operators and administrative border service providers. They are detailed in the two sub-sections below that deal with (i) the status of services provided by border administrative authorities and logistics providers, and (ii) the cost estimates and time required to achieve an import / export transaction or international transit in the North African countries.

2.1 Limitations of the services provided by administrative border agencies

Based on the opinion of interviewed foreign trade professionals, the performance of border authorities is deemed satisfactory in Tunisia and Morocco but requires significant improvement in the other Maghreb countries. The absence of some non-customs control services at border crossings (technical control and inspection of exported food products, sanitary and phytosanitary control) and the fact that services are not all of them grouped in one place (customs, health, immigration, security) explains, to a large part extent, the relatively limited performance of border authorities. The

52 The Arab Maghreb Union is the economic and political organization set up by the five 'Maghreb' countries, namely Algeria, Libya, Morocco, Tunisia and Mauritania. Its General Secretariat is headquartered in Rabat, Morocco.

53 The Greater Arab Free Trade Area was decided by the Arab Summit held in Amman (2001). It entered into force on January 1st, 2005. GAFTA provides for full removal of customs duties between the Agreement's signatories (Morocco, Tunisia, Libya, Egypt, Lebanon, Syria, Palestine, Jordan, Iraq, Kuwait, Saudi Arabia, UAE, Oman, Qatar, Bahrain and Yemen).

negative impact of having scattered control services, which are involved in the formalities required, is compounded by the lack of staff or of staff motivation at certain crossings which often witness spikes in the flow of passengers and goods. Given their geographical location, certain border crossings have to cope with harsh weather conditions and frequent power outages or network connection issues, a fact which adversely affects the quality of the services offered, not to mention the average age of the computer hardware available to border agencies.

Other sources of additional costs: (i) insufficient administrative decentralization and (ii) the diversity of software systems used in processing customs declarations. Border customs offices sometimes find themselves in situations requiring quick decisions. As these offices are geographically far away from headquarters, which are located in the capital cities, this leads to delays in taking urgent decisions. Adding to these delays is the lack of coordination between border services of partner countries. In addition, since customs administrative agencies use different management systems, this prevents the exchange of data as well as proper operability between the services of neighboring countries.

Table 4 : Computerized customs systems used in North Africa

Country	Customs system used
Morocco	BADR[54] ; *Base Automatisée des Douanes en Réseau* (automated customs networks database)
Tunisia	SINDA 2002[55] ; *Système d'information douanier* (Customs information system)
Algeria	SIGAD[56] ; *Système d'information et de gestion automatisé en douane* (automated customs information and management system)
Mauritania	SYDONIA[57] ; *Automated System for Customs Data* (ASYCUDA)
Libya	No established system to date
Egypt	Initiative in progress to adopt the ASYCUDA[58] system
Sudan	ASYCUDA[59] ; Automated System for Customs Data (SYDONIA)

Source: Websites of national customs authorities.

As shown in the above Table 4, four systems coexist with different interfaces and programming modes. This can result in different transaction processing capacities, such as the possibility to make an electronic payment of duties and taxes, or the lack of it. The selection criteria used for discrimination and control of of-risk goods or no risk goods may also be different, thus reducing the potential for rationalizing formalities at regional level and the time required for the release and clearance of goods. Establishing an information exchange system, carrying out joint controls and harmonizing customs software are essential steps to achieve good coordination and significantly improve the quality of services provided by government border agencies.

2.2 A deficit in logistics, equipment and related facilities

Logistics services provided at various border crossings (Tunisia-Algeria, Tunisia-Libya, Morocco-Mauritania) can generally be described as poor. For road transport, just like transport by sea, existing logistics infrastructure suffers from several shortcomings.

54 http://www.douane.gov.ma/badr/base_automatise.html
55 http://www.douane.gov.tn/index.php?id=228&L=3
56 http://www.douane.gov.dz/pdf/manuel_sigad.pdf
57 http://unstats.un.org/unsd/trade/ws%20abuja/ESA-STAT-AC.106-7F%20-
58 http://www.nathaninc.com/projects-and-cases/egypt-trade-facilitation-project-2011-2014
59 http://unstats.un.org/unsd/trade/WS%20AddisAbaba04/Presentations%20of%20resource%20persons/

The setting up of scanners at some checkpoints (Ras Jedir, on the Tunisian side and Guerguarate on the Moroccan side) has certainly improved the performance of customs services, but other logistics materials are still missing (weighing scales, weighbridges, forklifts etc.); they are needed for optimal functioning of installed equipment. Moreover, the related facilities and services (maintenance - vehicle repair, hotels, restaurants, banks, insurance, post and telecommunications) are virtually nonexistent at border crossings, and users are often obliged to go back to the nearest town to have access to these services. As regards transport by sea, port facilities and logistics services are generally below the capacity level required for the good flow of traffic, causing delays in the unloading of goods.

2.3 Shipping / delivery times

As regards export operations, delivery times at the country of origin are generally quite short given the trade policies implemented in all North African countries to boost exports. When an export file has been properly prepared, the customs authorization is given the same day (one hour for customs clearance in Morocco). The authorization is granted for a 15-day term in Tunisia, with possible extension. Ad for imports, however, there are delays across the board, especially at Algerian and Libyan border customs. Import operations require, on average, 37 days in Libya, 27 days in Algeria, 17 days in Tunisia and 16 days in Morocco[60].

UMA Member Countries have adopted measures to promote exports. However, they continue to apply restrictive measures to imports. Poor performance is partly due to private actors, who sometimes submit incomplete or inaccurate application files, which leads to delays not only in customs clearance but also in the delivery of goods. At the Moroccan border crossing with Mauritania, there are substantial delays which are caused by the incompatibility of working hours and scanner breakdowns at that crossing. For agri-food products requiring phytosanitary controls, delays are even longer due to the absence of non-customs control services – they are inexistent at virtually all border crossings.

To sum up, it can be said that the average quality of transport networks and logistics services, the shortage of staff at some customs administrative services, the lack of government non-customs control (sanitary and phytosanitary), the complexity of customs formalities regarding particular products and the lack of support services and facilities (banks, insurance, etc.) are the main sources of delay in the delivery of shipments. The fact that there are no jointly managed border crossings, no harmonized transit procedures and no common controls contributes to longer delays.

2.4 Ongoing actions to improve border services

- **At the Morocco-Mauritania border crossing**

The facilitation measures implemented at the “Guerguarate” border crossing have had a relatively positive impact on customs clearance times and storage period of goods. Among these, two important decisions on the Moroccan side deserve to be pointed out:

- the adoption of staff turnover by the Customs Authority for office workers and deployed customs brigade officers; turnover is for a maximum period of one month;
- the commissioning, in the short term, of a second scanner to separate the flow of traffic, with one scanner dedicated to import trucks and goods , and the other to exports.

60 These are statistics gathered mainly from the World Bank’s Doing Business database, which calculates the LPI index on the basis of the country’s total foreign trade, and not intra-regional trade.

The "Guerguarate" border crossing is being overhauled, with a budget of MAD 48 million (US $ 6 million) covering studies and works. Project implementation has been awarded to the Agency for the Development of the Southern Provinces, which is finalizing a desirability (scoping) study for the creation of a trade and logistics platform in the town of "Bir Gandouz"[61], which is 80 km away from the crossing. This platform should consolidate basic infrastructure in the region and make it possible to group together commercial and customs as well as non-customs controls[62].

- ***At the Tunisia-Algeria and Tunisia-Libya border crossings***

Assessing the impact of transport and trade facilitation measures between Tunisia and Algeria on the one hand, and between Tunisia and Libya, on the other, proved to be a tricky task given the political and security situation prevailing in the region. The examination of the situation therefore focused on the facts observed during the period prior to 2011, which can be summarized as follows:

- a significant reduction of administrative and customs procedures for exchange transactions with Libya, thanks to the agreement on mutual recognition of documents;
- the development of the Ras-Jedir common border crossing to simplify customs clearance procedures, although common control operations between the two countries are still not available;
- the speed of road transport operations compared to transport by sea, which is fairly expensive and is more time consuming;
- good punctuality of Algerian and Libyan partners, which helps to simplify and speed up the flow of import and export operations;
- the appointment, by the Tunisian Ministry of Commerce, of a focal point to facilitate commercial transactions by quickly resolving potential disputes between operators.

2.5 Summary of the main causes of delays and poor performance at border crossings

Apart from files that are incomplete or inconsistent with the regulations in force, several factors contribute to longer delays and additional costs as a result of border formalities. They are specific to each visited border crossing, and can be broken down as follows.

At the Mauritania – Morocco border crossing:

- the lack of rest areas throughout the Dakhla-Nouadhibou section, which is 480 km long;
- the lack of repair and maintenance services in case of truck or passenger car breakdown; people are often left to fend for themselves;
- there is only one hotel near the Guerguerate crossing; its accommodation capacity is not enough to accommodate the large number of drivers and passengers who often have to spend the night in the area;
- the inadequate working environment of border agencies; this impacts the quality of the services rendered;
- the lack of integrated services at the border; apart from customs and police services; non-customs control services (especially sanitary and phytosanitary services) are not available;
- the lack of related services and facilities (banks, insurance, telecommunications, restaurants, hotels, etc.) on both sides of the border crossing;

61 It is a Moroccan town in the province Aousserd, in the Oued Ed-Dahab-Lagouira region, with an administrative center bearing the same name.

62 This operation is currently performed at Dakhla, which is 480 km away from the border crossing.

- a deficit in the equipment needed for speedy control of goods (scanners, weighbridges, forklifts, etc.).

At the Tunisia-Libya and Tunisia-Algeria border crossings:

On the Tunisian side:

- the process and conditions for issuing export licenses for subsidized and/or sensitive products, whose export may have negative consequences on the supply of the local market with that product (national self-sufficiency), or which require phytosanitary controls, which could mean additional delay of a few days; for certain agri-food products and products subject to special authorization (digital receivers for instance), control operations may require an additional period of 3 to 4 days;
- poor endorsement of administrative procedures by some stakeholders (exporters, importers, freight forwarders, carriers and customs brokers) who do not always try to acquire the automatic responses and reflexes of a good operator involved in international trade;
- the lack of parking spaces reserved for freight carriers, who have to spend the night at border crossing points when they fail to complete administrative and customs procedures.
- On the **Algerian and Libyan** side*:*
- the time taken by transit and unloading formalities for goods transported by sea;
- the complexity of banking formalities, this contributes to even longer delays in the delivery of goods;
- a lack of motivation among some customs officers; this adversely impacts formalities;
- the sometimes obsolete state of computer equipment used at border customs offices.

Based on the above, it is imperative to improve border services by upgrading regulations, coordination / streamlining of control operations, enhancing related logistics services and promoting interstate cooperation.

SWOT analysis of the services provided at border crossings

STRENGTHS

- Morocco and Tunisia are inching closer to the group of emerging markets and have a fairly honorable global ranking.
- On the export side, the number of documents required, the duration needed in terms of number of days and the cost of a container are fairly close to those of OECD countries.
- Tunisia and Libya signed an agreement on mutual recognition of documents and intend to set up a common border crossing.

WEAKNESSES

- Weak harmonization of documents and redundancy of the information required
- Segmented operations and frequent travelling by economic operators
- Virtually no coordination between border administrative agencies
- Weak use of legal facilitation instruments
- Lack of support services and facilities
- Complex import procedures with extended storage periods and removal times.

OPPORTUNITIES

- Agreement on mutual recognition of documents can be generalized among the countries concerned
- It will facilitate procedures for the business community of signatory countries
- NAPs can further reduce the number of documents and reduce import transaction times, as is the case with exports
- Cooperation between the administrative services of the states concerned can be enhanced and systematically leveraged in each import, export or transit operation

Positive

THREATS

- Security threats in border regions due to the current political situation in three countries
- Proliferation risks regarding smuggling, terrorism and illegal trafficking
- Risk of eroding previous gains, especially mutual recognition of documents and creation of common border crossings (Tunisia and Libya)
- Psychotic security concerns trump trade facilitation and constrain FDI.

Negative

3. Analysis of the indirect costs of an international commercial transaction

The data provided by Doing Business 2014 corroborate and complement the results of the qualitative analysis based on interview guides with the stakeholders involved at the borders. As mentioned in the introduction to this section, the World Bank's calculation method is based on a country's total foreign trade; therefore it does not provide information on intra-regional trade. To its credit, it uses indicators developed on the basis of a methodology which is common to all countries and which is based on reviewing the main structural parameters of trade facilitation. All relevant determinants on time frames and cost of export and import procedures are taken into account[63], together with the number of documents the operator needs to provide to make the transaction.

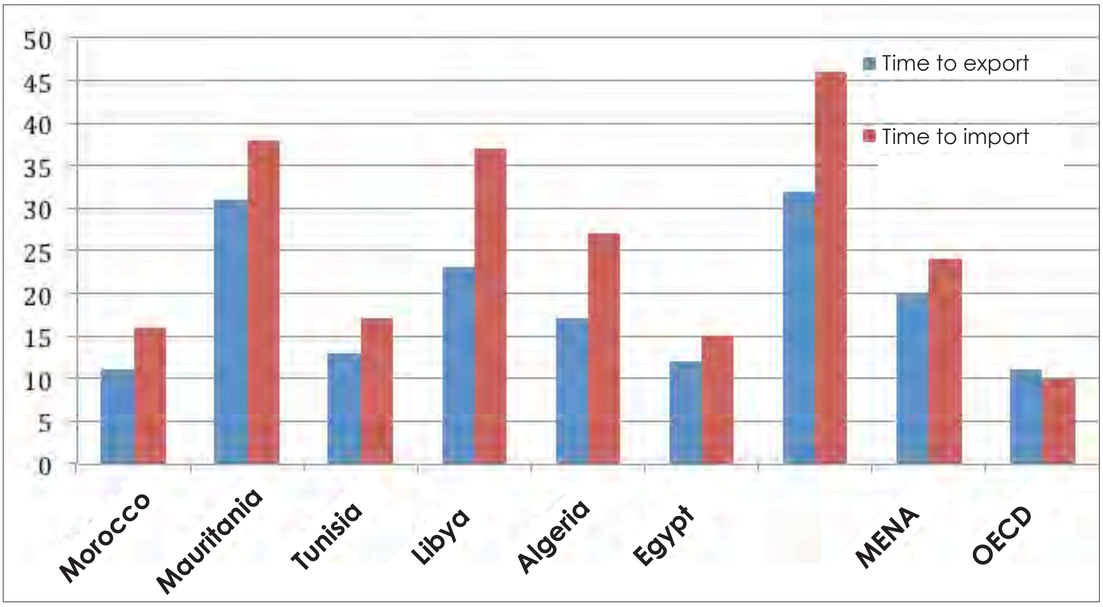
3.1 Time taken by import and export procedures in North Africa

Examination of a standard operation was used to assess the time required for foreign trade procedures and formalities, both overall and step by step. The time required for an operation is calculated from beginning to completion[64]. Thus, the time required for an **export transaction** is 11 days in Morocco, 12 days in Egypt and 13 days in Tunisia. It takes a little longer in Algeria (17 days), and much longer in Libya (23 days), Mauritania (31 days) and Sudan (32 days) (see Figure 2). These time periods are more or less similar to what exists in the MENA region (20 days), but for most North African countries, they are much longer than the OECD average (11 days).

63 The time and costs of transport by sea are not included.

64 Time is expressed in calendar days. If a procedure can be accelerated at an additional cost and is available to all businesses, the fastest procedure is taken into account.

Figure 2: Time needed for import and export (number of days)



Source: Doing Business 2014, authors' notes

For imports, the time required in Egypt is the shortest (i.e. 15 days), followed by Morocco with 16 days, and Tunisia with 17. This period is the longest in Sudan (46 days); it takes 38 days to import in Mauritania, 37 in Libya and 27 in Algeria. This is well above the average for MENA countries (24 days) and OECD countries, with a period not exceeding 10 days.

Time breakdown by type of operation for export indicates that document preparation is the most time-consuming. In Morocco, this phase takes more than half the overall time required for export formalities, i.e. 6 days out of 11, whereas customs clearance takes just one day on average, and the logistics of terrestrial or port handling take 2 days.

The same applies to the other North African countries, the document preparation phase being the longest. It takes an estimated 7 days in Egypt, 8 days both in Tunisia and Algeria, 16 days in Libya, 18 days in Sudan and 21 days in Mauritania.

Table 5: Type of export operations (number of days)

Export operation	Morocco	Mauritania	Tunisia	Libya	Algeria	Egypt	Sudan
Document preparation	6	21	8	16	8	7	18
Clearance and technical inspection	1	3	1	3	4	1	3
Port handling (terminal)	2	5	2	2	2	2	6
Road transport and handling	2	2	2	2	3	2	5
Total	**11**	**31**	**13**	**23**	**17**	**12**	**32**

Source: Doing Business 2014, authors' notes

The steps relating to customs clearance and handling, whether it is at port or for land transport, are less time consuming. Actual customs clearance is no longer a major impediment to the flow of traffic. The time required to complete customs formalities to export goods does not exceed one hour in Morocco and Tunisia when the file is complete and the goods are subjected to checking to make sure they comply with admission controls. It takes 2 hours for shipments requiring physical inspection by a customs inspector. When the clearance procedure involves a technical inspection in the form of sanitary and phytosanitary control, this can take one day on average in Morocco and Tunisia, against 3 days in Mauritania and Egypt, and more than 5 days in Libya and Sudan.

As regards imports, the document preparation phase is again the most time-consuming, as shown in Table 6 below. It requires more than half the overall time needed to complete formalities in almost all North African countries. In Morocco, it takes 10 days out of 16, whereas in Mauritania more time is needed: 25 days out of a total period of 38 days. In the case of Libya, the excessively lengthy proceedings (37 days) are mostly due to the port handling phase which, alone, requires nearly 18 days, against only 2 days in Morocco and 3 in Tunisia.

Table 6 : Type of import operations (number of days)

Import operation	Morocco	Mauritania	Tunisia	Libya	Algeria	Egypt	Sudan
Document preparation	10	25	9	13	10	8	24
Clearance and technical inspection	2	5	3	4	8	2	11
Port handling (terminal)	2	6	3	18	7	3	7
Land transport and handling	2	2	2	2	2	2	4
Total	**16**	**38**	**17**	**37**	**27**	**15**	**46**

Source: Doing Business 2014, authors' notes

To reduce time in terms of number of days needed for an import or export operation:

- All North African countries have to take measures to reduce the time required for the document preparation phase and, to a lesser extent, facilitate freight transport and handling;
- Libya, Algeria, Mauritania and Sudan in particular should also take major steps to further facilitate handling operations at ports.

These recommendations are consistent with the complaints expressed by the various operators interviewed, who indicated that there should be less difficulties involved in the unloading of goods in ports and at land border crossings.

3.2 Cost of transporting goods to the border

According to the methodology used in Doing Business 2014, the cost in dollars corresponds to the fees levied for a 20-foot container. Apart from customs tariffs and ocean freight costs, all costs relating to procedures / formalities for the export or import of goods are taken into account, including the costs related to documents, administrative fees for customs clearance and non-customs controls, customs broker fees, handling fees at ports and costs of land transport to the border crossings. Only official costs are taken into account.

According to data in Table 7, Egypt, Morocco and Tunisia have the lowest standard load costs in the North Africa region; they are even less than the average costs in MENA and OECD countries. On the other hand, and as with previous performance areas, costs in Sudan, Mauritania, Libya and Algeria are among the highest. The cost to export, per container, is 595 dollars in Morocco. It remains the lowest cost compared to other North African countries. Egypt has the lowest cost for imports (US $ 790).

Table 7 :
Comparative table of import and export costs per container (in US dollars)

	Morocco	Mauritania	Tunisia	Libya	Algeria	Egypt	Sudan	MENA	OECD
Cost to export	595	1 640	775	1 140	1 270	625	2050	1 127	1 070
Cost to import	970	1 523	860	2 255	1 330	790	2900	1 360	1 090

Source: Doing Business 2014; authors' notes

Table 8 below summarizes the estimated number of documents and the time and costs involved in import and export operations. A number of conclusions can be made therefrom, which apply to all North African countries:

- the 'document preparation' phase for both exports and imports is much longer compared to the rest of the world, requiring approximately 25 percent more time;
- customs procedures and terminal handling or handling at borders tend to be longer than in the rest of the world, more so for imports;
- customs clearance procedures are apparently fast but they remain very expensive compared to international practices, costing 30 percent more than the global average.

Table 8 : Summary of indicators on cross-border trade in North Africa

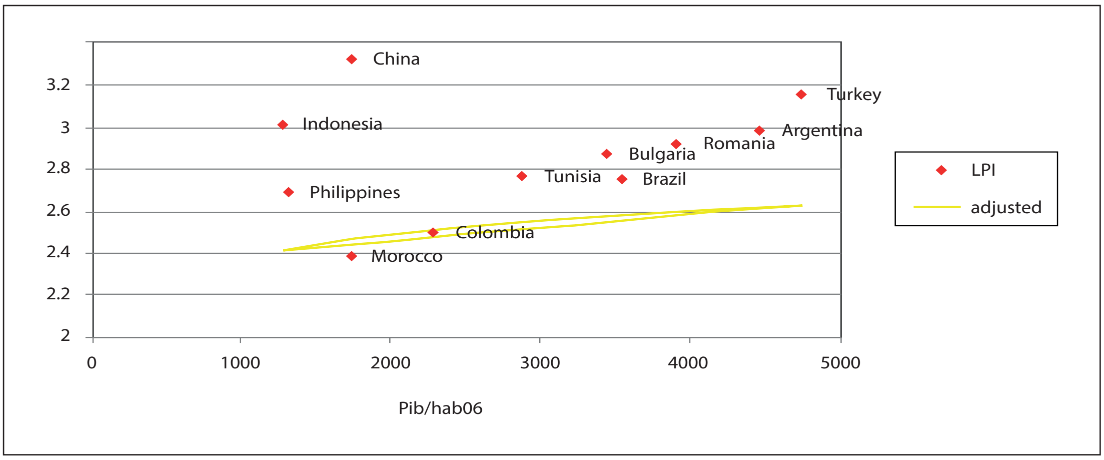
Country	Year	Global ranking*	EXPORTS			IMPORTS		
			Number of documents required	Time (in days)	Cost per container (in US $)	Number of documents required	Time (in days)	Cost per container (in US $)
Algeria	2011	124	8	17	1,248	9	23	1,428
	2014	133	8	17	1,270	9	27	1,330
Egypt	2011	21	6	12	613	6	12	698
	2014	83	8	12	625	10	15	790
Libya	2011	NA	NA	NA	NA	NA	NA	NA
	2014	143	7	23	1,140	9	37	2,255
Morocco	2011	80	7	14	700	10	17	1,000
	2014	40	5	11	595	7	16	970
Mauritania	2011	163	11	39	1,520	11	42	1,523
	2014	152	8	31	1,640	8	38	1,523
Sudan	2011	143	6	32	2,050	6	46	2,900
	2014	155	7	32	2,050	7	46	2,900
Tunisia	2011	30	4	13	773	7	17	858
	2014	50	4	13	775	6	17	860
MENA region	2011	--	6,4	22,5	1,034.8	7,4	25,9	1,221.7
	2014	--	6	20	1,127	8	24	1,360
OECD	2011	--	4,3	10,5	1,089.7	4,9	11	1,145,9
	2014	--	4	11	1,070	4	10	1,090
Singapore	2011	1st	4	5	456	4	4	439
	2014	1st	3	6	460	3	4	440

** Cross-border ranking; NA: no available data*
Source: Doing Business Database, 2011 and 2014, World Bank.

A comparison with other developing countries or transition economies shows that North Africa is, by far, one of the regions where international trade is the most expensive, as in Eastern Europe and Central Asia, except for landlocked countries. Documentation requirements documents are particularly burdensome compared to international standards, with an average of 8 to 9 different documents required to carry out an import or export operation.

Import activities are particularly disadvantaged in North Africa, in the sense that importing a standard container takes on average 37 days and costs 2,567 US dollars, compared to 22 days and 958 dollars in the East Asia-Pacific region, 19 days and 1,612 dollars in Latin America and the Caribbean, and 33 days and 1,736 dollars for South Asia.

Figure 3 :
Comparative table of LPI performance of some middle-income countries



Source: Connecting to ... World Bank 2007

(China Indonesia Philippines Colombia Morocco Algeria Russia Brazil Tunisia Bulgaria Romania Argentina Turkey) LPI Adjusted GDP/Per capita 2006

The above performance chart confirms the need for the countries in the sub-region to implement reforms that are likely to bring them closer to international standards and to the level of performance of emerging and middle-income countries regarding the processing of foreign trade operations.

IV. International norms and standards in trade facilitation

1) Best practices in transport and trade facilitation

The examination of good international and regional practices in trade facilitation focuses on the measures taken to improve trade-related infrastructure and transportation. These measures concern the simplification, harmonization and standardization of procedures as well as the consolidation of logistics services. Several international organizations have been interested in these issues. The work of the United Nations Centre for trade Facilitation and Electronic Business (UN/CEFACT)[65] is a reference in the field. Several other actions have been carried out in this respect, including by the United Nations Conference on Trade and Development (UNCTAD), the International Maritime Organization (IMO), the World Customs Organization (WCO) and the International Trade Centre (ITC). This has led to the adoption of instruments, standards and guidelines which govern international trade.

Through their activities, these organizations seek to achieve four objectives: improve basic infrastructure, simplify procedures, harmonize procedures and standardize foreign trade documents.

In this respect, a first best practice would be to set up national mechanisms to collect and disseminate information on best practices in trade facilitation. It is the flagship recommendation addressed to all governments, who are called upon to set up and support national trade facilitation institutions, making sure there is balanced participation of all stakeholders - public and private - in their governing bodies. To this end, international organizations recommend the adoption of a participatory and collaborative approach between all agencies and stakeholders involved in the international trade system, as the simplification of procedures should not be entrusted to only one category of actors. The aim is to identify all problems affecting the cost and efficiency of trade in each country, and to come up with adequate solutions and facilitation measures.

The improvement of trade and transport-related infrastructure must go hand in hand with the elimination of all factors impeding trade, whether they are of a logistical, control or regulatory nature. To this end, a key measure would be to group all control services at a single location, while improving working conditions and ensuring close coordination between border agencies in order to boost operational efficiency. Such inter-agency coordination and cooperation may take various forms, including the following:

- conduct joint inspections or inspections on behalf of another agency, with integrated control and payment procedures;
- ensure inter-agency exchange of data within country to provide economic operators and their agents with a single point for data input (single window system);
- ensure joint management of border crossings and related facilities between the countries concerned.

As regards simplification of international trade documents, the reference standard is the consolidation of several administrative documents into one, based on a standard form, such as the United Nations Layout Key, the bill of lading of the International Chamber of Shipping or the EU's Single Administrative Document.

65 This is a United Nations agency whose name in French is "*Facilitation des Procédures Commerciales et le Commerce Électronique*", whose equivalent in English is "United Nations Centre for Trade Facilitation and Electronic Business." Its mission is to promote close cooperation between governments and businesses to ensure the interoperability of information exchange between the public and private sectors. It developed the Layout Key, a standard for United Nations trade documents (UN / EDIFACT), an international standard for electronic interchange and many other recommendations.

The standardization of documents also aims to develop internationally recognized standards for practices, procedures, documents and information exchange formats. A standardization example would be the United Nations Directories for Electronic Data Interchange for Administration, Commerce and Transport (EDIFACT), and the international codes used for countries, currencies and locations. In this respect, the focus is currently on two instruments: paperless documentation and the one-stop shop for foreign trade formalities. These are two initiatives which some countries in Africa[66] have successfully implemented long before other developed countries.

The same objectives of simplification and facilitation procedures form the basis of the United Nations' recommendation 33 on establishing single window platforms for international trade and transportation formalities.

2) Main international transport and trade facilitation instruments

The advantage of international conventions and standards is that they constitute a set of measures and standard norms whose effectiveness has been demonstrated by practical experience in the area of international and cross-border trade. Their contents are identical in some respects, and the few differences between them usually concern implementation modalities. Their application has significantly facilitated trade, transport as well as international and regional transit between the countries that have adopted them. The international organizations and private institutions which initiated these standards can provide technical assistance to signatory countries during the accession phase as well as for the implementation of these agreements. The contents of four (4) of these instruments deserve to be pointed out in this study, given their contribution to the harmonization and simplification of procedures related to trade, transport and transit. They are: the Convention on the International Transport of Goods (TIR), the Revised Kyoto Convention (RKC), the Convention on the Harmonization of Frontier Controls of Goods across borders, and the Agreement concerning the international carriage of dangerous goods by road (ADR).

2.1 TIR Convention: principles and tools promoting the international transit of goods

The TIR Convention is an example of good international practice in the area of transit since it provides a universal procedure to facilitate the transport of goods in transit through the use of a standard customs document that also serves as an international warranty. The TIR system is based on principles and standards which, among other things, allow for the movement of goods in containers or vehicles equipped for transportation under customs seal, and to which an approval certificate has been granted.

Under the TIR Convention, import and export duties and taxes whose payment is suspended during transport are covered by a financial guarantee which is internationally valid. Under the TIR system, goods are accompanied by a universal customs document called "TIR Carnet" obtained in the country of origin and serving as a customs transit declaration, control document and proof of international financial guarantee for customs authorities at departure, transit and destination. The system implies acceptance of customs control measures in the country of origin by transit and destination countries (mutual recognition of procedures and controls) in order to facilitate access to the TIR system for national issuing and guaranteeing organizations

66 The initiative regarding the African Alliance for E-Commerce speaks for itself. This is an association that promotes the development of the single window concept in African countries and the sharing of experiences, particularly by African countries that already have a single window - either a virtual one (the case of Senegal and Madagascar), or African countries with physical one-stop shops (the case of Cameroon).

as well as for carriers. These measures are subject to the approval of the authorities of the country in which they were initiated, in accordance with minimum conditions and criteria set by the Convention.

The implementation of the TIR Convention also implies the conclusion of a public / private partnership using IT tools for risk management (SafeTIR and TIR EPD) that allow real-time online traceability and tracking for each transport operation under the TIR procedure. Three North African countries are signatories to the Convention: Morocco, Tunisia and Algeria.

Facilitation measures under the TIR system make it possible for customs authorities to undertake less stringent controls than those usually required under national transit procedures. Moreover, and barring any irregularities, physical inspection in transit countries is limited to checking seals and the container's external condition.

As regards documentation, the TIR Carnet is sufficient to cover all international freight forwarding requirements; it also replaces the required guarantees or national documents, thus reducing the risk of providing erroneous information to customs. Using electronic systems for risk management enhances the security and overall effectiveness of the TIR system, not only for customs but also for carriers and operators themselves. They contribute to facilitating trade and transport because customs control authorities do not intervene systematically to check the goods crossing their national borders, and this reduces transit delays caused by the large number of controls through roadside checks.

Finally, it should be pointed out that the TIR Convention allows relatively simple access to guarantees, which is a prerequisite for the transport and trade industry to benefit from the facilities offered by customs transit systems.

2.2 The Revised Kyoto Convention[67]: a suitable framework for harmonizing customs practices

The Revised Kyoto Convention (RKC), which entered into force in 2006, is the result of a review of the 1973 Kyoto Convention. The RKC, which was developed by the World Customs Organization (WCO), is an international agreement designed to harmonize and simplify customs practices in international trade. It currently has 84 Contracting Parties, including Morocco, Egypt and Algeria. The standards and guidelines specified in the RKC include definitions of the key legal terms used in customs law and customs procedures. Because of its binding character, the Convention contributes to the modernization of national customs systems based on international standards and practices, while ensuring trade facilitation.

Accession to the RKC implies a commitment to respect the mandatory implementation of the principles relating, among other things, to the transparency and predictability of customs controls, to the standardization and simplification of goods declarations and related supporting documents and to minimizing the necessary customs controls and applying risk assessment and management techniques in control operations in addition to coordinating interventions.

Implementing the Convention promotes rapid release of goods at borders and reduces costs for businesses, including trade costs by reducing the number of formalities as well as the information required.

2.3 The Convention on the Harmonization of Frontier Controls of Goods

Known as the "Geneva Convention", it aims to establish coordinated, harmonized means between signatory countries to facilitate border crossings. It was signed by the contracting parties on October 21, 1982 and was supplemented by the adoption of

67 See http://www.wcoomd.org/fr/topics/facilitation for further details

two Annexes (8 and 9) on road and rail transport[68]. Fifty-seven countries are members to the Convention, including one North African country, Tunisia. The Convention's basic principles require the use by member countries of a set of measures in the organization of controls related to international transport to facilitate border crossings. These measures include the following:

- **The principle of reciprocal recognition of inspections** to simplify, coordinate and reduce formalities at the border thanks to the **international certificates recognized by the contracting parties**;
- **The principle** of transferring controls from border crossings exclusively to the points of departure and destination of the goods transported;
- Harmonizing procedures and controls, including through **coordination, between neighboring countries, of working hours and the establishment of coordinated control procedures between different border authorities** (customs, veterinary services, security, etc.);
- The setting up of **one-stop shops and joint checkpoints at borders** between the authorities of neighboring countries; and finally
- The establishment of an international certificate of vehicle technical inspection to avoid that these controls be performed or improvised at the borders.

2.4 The Agreement concerning the international carriage of dangerous goods by road (ADR)

The ADR was adopted on 30 September 1957 and was supplemented by a memorandum of understanding on 28 October 1993. The technical annexes are updated continuously and are published regularly. The Agreement currently has 48 contracting parties, including Morocco and Tunisia.

Its aim is to increase the safety of international transport of dangerous goods by road. To that end, it defines the appropriate conditions for the transport of dangerous goods in optimal safety conditions for drivers, handling personnel, other road users and control and emergency agencies. Thus, the ADR gives a classification and identification of dangerous goods accepted for international carriage, depending on their condition and hazard potential (explosive, flammable, radioactive, toxic, corrosive ...).

The Agreement sets out transport conditions (types of packaging and requirements for the manufacturing of packaging, labeling, acceptable quantities for carriage and any incompatibilities between products), as well as documentation and regulations for loading, unloading, handling and storage. The ADR also involves obligations for initial and continuous training of drivers and personnel depending on the categories of goods and their dangerousness, as well as the conditions for the manufacturing and technical compliance of road vehicles with containers or tanks (ADR technical inspection, ABS, tank approval, etc.).

The ADR has many benefits, both for government agencies - especially control and assistance services in case of breakdown - as well as transport companies and other road users. The classification of dangerous goods accepted for international transport, their identification - depending on their nature and dangerousness - and the corresponding labeling allow the services concerned to be fully cognizant of the dangerous nature of the goods being transported and to adjust their conduct accordingly. In case of accident, emergency and rescue services know immediately the type of hazard they are faced with and can best prepare their response or intervention. In the same vein, the principle of technical inspection of vehicles and tanks and the obligation to provide initial and continuing training to drivers and the staff contribute to effective accident prevention measures.

68 The text of the Convention is available at : http://www.unece.org/fileadmin/DAM/trans/ conventn/harmonf.pdf

Finally, the ADR technical approval takes into account the professional qualifications of drivers and the harmonization of the labelling. This facilitates border crossings and reduces checks through the application of the **principle of mutual recognition**. It should be pointed out that the EU has fully incorporated the ADR and its annexes in its legislation[69], and any amendment to the Agreement is immediately applied in the European space.

3) Efforts by North African countries[70] to align with international reference bodies

North African countries accession status to the main international conventions on facilitation of trade, transport and transit is as follows

Table 9 : Summary of North African countries' accession status to trade facilitation agreements

	Algeria	Libya	Morocco	Mauritania	Tunisia	Egypt	Sudan
TIR Convention[71]	Yes	No	Yes	No	Yes	No	No
CMR Convention[72]	No	No	Yes	Yes	Yes	No	No
ATP Convention [73]	No	No	Yes	No	Yes	No	No
Kyoto Convention[74] and/or Revised Kyoto Convention	Yes	No	Yes	No	No	Yes	Yes
Genève Convention on the harmonization of border procedures[75]	No	No	No	No	Yes	No	No
Convention on Road Traffic (1968)	No	No	Yes	No	Yes	No	No
Convention on Road Signs and Signals (1968)	No	No	Yes	No	Yes	No	No
Agreement on the International Carriage of Dangerous Goods by Road (1967)	No	No	Yes	No	Yes	No	No
Customs Convention on the Temporary Importation of Commercial Road Vehicles (1956)	Yes[76]	No	No	No	No	No	No

Source: Developed by the authors based on the texts of the adopted conventions

As the above table indicates, not all North African countries are party to these conventions. With the exception of Morocco and Tunisia, which are contracting parties to almost all existing conventions (7 out of 9), the accession record of the other countries (Libya, Algeria, Egypt, Sudan and Mauritania) to the main international instruments on trade facilitation is rather poor. With a consolidated number of only 20 accessions out of a total of 63 possible accessions, most intra-regional trade remains

69 Considering the highly technical nature of this agreement, the countries that choose to access the ADR can themselves set the timing of its phased entry into force.

70 This table is based on the list of conventions deemed essential by the United Nations Economic Commission for Asia Pacific (ESCAP), in its resolution 48/11 of 1992.

governed by bilateral agreements - especially between Morocco and Mauritania as well as Tunisia and Libya; international standards are mostly implemented through the relationship with the European Union (Morocco, Tunisia, Egypt and Algeria).

Therefore, the countries of the sub-region do not share the main legal instruments which constitute the indispensable foundation for an efficient intra-regional trade facilitation policy, especially for the transport of goods by road. A major harmonization effort should be made from a sub-regional perspective to bring national legislation in line with international norms and standards. Such a cooperation project should involve all regulatory and operational aspects relating to foreign trade formalities: customs, non-customs controls, transportation, logistics, handling, port and airport procedures, equipment and facilities at land borders. It should also incorporate the new developments to result from the adoption and entry into force of the multilateral trade facilitation agreement signed on 7 December 2014 under the auspices of the WTO, better known as the 'Bali Agreement'.

V. Implications and stakes of the Bali agreement for north Africa

The multilateral Trade Facilitation Agreement (TFA) was concluded by 159 Member Countries of the World Trade Organization[71]. This historic agreement, which is the first of its kind, is the result of a process started in 1996 during the Ministerial Conference held in Singapore. Actual negotiations started in 2004, following successful lobbying by the business community, through the International Chamber of Commerce, which argued that an agreement on trade facilitation was necessary to set in motion a more effective process for the management of international trade in goods. It stressed that binding commitments were required, and that the WTO had the means to provide decisive political support to give substance to improvements in world trade.

Member countries - both developed and developing - proved to be clear advocates of trade facilitation, emphasizing the "win-win" potential of a multilateral agreement in this field. These thoughts were based on studies conducted by experts and by some organizations actively involved in international trade issues. The studies in question demonstrated the positive impact of trade facilitation on reducing transaction costs, productivity gains, GDP growth and the creation of millions of jobs, in developed as well as developing countries. The Bali Agreement has a binding character, and signatory countries will eventually have to comply with it[72]; it is expected to have an impact on the simplification and harmonization of customs procedures, in addition to reducing the main barriers to trade by establishing fair rules and conditions. It will naturally lead to a reduction in the costs of clearing goods and in fees relating to documentation or delays at the border.

In a recent study, the OECD has estimated that a 1% reduction in international trade costs would increase global income by more than $ 40 billion, much of which would benefit developing countries[73]. As for the World Customs Organization (WCO), it indicated that the Agreement on trade facilitation would reduce the administrative burden and transaction costs by approximately $ 325 billion a year in developing countries[74].

However, the objective sought involves costs, insofar as the implementation of the Agreement's provisions requires, for many countries, that legislative changes and new rules and policies be adopted. This also involves upgrading the training of administrative staff, particularly that of customs agencies. Moreover, the Bali text provides for special and differential treatment measures for developing countries and least developed countries. These countries will benefit from flexible treatment as well as technical assistance from donor countries and international organizations to strengthen their capabilities, since that is essential for the Agreement's implementation.

Thus, by virtue of their status as developing economies, North African countries - Mauritania, Morocco, Algeria, Tunisia, Libya, Sudan and Egypt - are part of the group of potential recipient countries which would benefit from the assistance program for capacity building.

This chapter summarizes the facilitation obligations that North African countries will have to implement and sets out the special and differential treatment measures from which they stand to benefit. In a later section, the current performance level of each

71 The World Trade Organization is currently made up of 160 members, following Yemen's accession, which became official on 24 June 2014.

72 In North Africa, three countries are not required to apply the provisions on the Agreement on trade facilitation: Algeria, Libya and Sudan since they have observer status at the WTO.

73 OECD (2013) "An agreement on trade facilitation would result in several billion dollars in gains to the world economy", Press, May

74 WCO (2014), WTO Agreement on Trade Facilitation: Customs in the limelight, June.

country in terms of facilitating trade from an institutional and operational perspective is analyzed, and recommendations are made towards compliance with the principles and provisions of the Bali Agreement.

1) Summary of the Bali Agreement obligations and special and differential treatment for developing countries

The text of the Trade Facilitation Agreement is made up of two sections. The first one lists the measures that countries should implement, and the second introduces the special and differential treatment measures for implementation as well as the framework for capacity building in developing countries and least developed countries.

1.1 Trade facilitation requirements

Obligations in the area of facilitating trade are listed in Section I ; they concern three aspects:

- Availability of information and transparency on customs procedures and formalities needed for import, export and transit;
- Fees, taxes, charges and customs formalities;
- CUSTOMS COOPERATION.

a. Availability of information and transparency on formalities and procedures

Countries parties to the Agreement are required to make available information on the laws and regulations on customs procedures regarding imported, exported or in transit goods as well as on the fees, duty and tax rates applied. Such information must also be available on the Internet, including formalities in download format.

Countries will also make available one or more inquiry points to which applicants can go to secure information related to foreign trade formalities and receive the necessary documentation. Moreover, and to improve customs procedures, national authorities are expected to make sure to regularly associate the business community by providing them with the laws and regulations governing trade and by giving them the opportunity to make comments and proposals. To promote further transparency, the Agreement asks countries to draw up advance rulings on the goods' tariff classification and the origin of imported goods. These rulings are to be made within a reasonable period of time following the request made by the applicant[75] ; in case of unfavorable decision by Customs, the authorities shall give the trader the possibility of appeal to a higher administrative or judicial authority.

If the goods concerned are food products, the authorities may issue a notification for enhancing the level of controls. The said controls should be based on risk and should be applied uniformly at all of the country's points of entry. Once enhanced control is no longer warranted, the authorities will withdraw the notification. If so, the trader or carrier will be promptly notified of the seizure of his goods, and should be able to request a second series of tests[76].

75 Advance rulings are supposed to facilitate declaration as well as release and clearance procedures, insofar as the classification of goods would have already been determined by advance ruling. The latter is supposed to provide the operator with greater certainty with respect to compliance with the requirements and reduce the likelihood of intervention by customs authorities.

76 The name and address of a laboratory are to be provided to the trader/operator.

b. Fees, charges and formalities in connection with importation, exportation or transit

Fees and charges

As regards fees and charges, the text of the Agreement provides that they shall be limited in amount to the approximate cost of the service rendered for an import or export operation. If necessary, the authorities concerned will gradually revise modalities for their calculation so as to achieve the objective sought[77].

In the case of penalties imposed due to the breach of laws and regulations, the authorities will ensure that penalties are imposed only on the person(s) responsible for the breach. The authorities will also take into account the relevant circumstances and provide the offender with an explanation of the conviction in writing[78].

Release and clearance procedures

To speed up the release and clearance of goods, member countries are requested to adopt a procedure for the processing of documentation prior to the arrival of goods. To the extent possible, this documentation will also be lodged in electronic format.

Member countries will also ensure separation of release from the final determination of customs duties, taxes and charges, provided regulatory requirements have been fulfilled. Nevertheless, the authorities may require a guarantee or deposit by traders but it shall not be higher than the total amount of the fees and charges owed.

Post-clearance audit should be encouraged in order to speed up the movement of goods across borders. Customs authorities will designate a person or a consignment that will be inspected to make sure formalities and regulations have been complied with[79].

To optimize customs controls and focus on high risk goods or goods of unknown origin, countries will be expected to develop certification programs for economic operators providing guarantees financially as well as in terms of supply chain security. These operators will benefit from additional facilities for the release and clearance of their goods[80].

The member country's customs authorities will also provide additional facilities for air cargo operators, given, in particular, these operators' commitments in terms of speed and vis-à-vis their customers[81].

The new commitments also concern perishable goods to permit accelerated release procedures. Thus, the authorities will make sure to give them priority when examinations have been planned, and provide proper storage or carry out checks at the importer's warehouses[82].

As regards non-mandatory measures designed to speed up the release and clearance of goods, the Agreement recommends the establishment of a risk management system at every entry point. The aim is to streamline inspections and help customs

77 No claim for the payment of fees or charges will be made if the information has not been previously published.

78 In case the trader informs the customs authorities of non-compliance with national legislation before that case of non-compliance is discovered, the authorities of the state concerned should take a lenient attitude and consider lighter penalties.

79 Traders are obliged to comply.

80 To obtain authorization, one of the conditions provided for by the Agreement is to have a good record in terms of compliance with the host country's laws and regulations.

81 The customs authorities may, however, require compensation from the operator in terms of responsibility and management of specific provisions for expedited shipments, as well as in terms of payment of duties, taxes and charges.

82 Provided the regulatory requirements have been met.

services to focus on high-risk goods and allow more seamless flow for other goods[83]. Similarly, countries are encouraged to publish the average release time to achieve greater rationalization and better predictability for traders.

Finally, and to the extent practicable, authorities are asked to allow the electronic payment of duties, fees and charges.

Formalities relating to import, export and transit

As regards formalities *per se*, the purpose of the Agreement is the simplification of requirements for documentation needed for business operations. Thus, North African countries will have to regularly review their procedures to ensure rapid release and clearance of goods[84].

The national authorities of the countries parties to the Agreement undertake not to carry out inspections before shipment, with respect to tariff classification and customs valuation, nor oblige traders to resort to customs brokers.

Countries will also work towards the implementation of common border procedures and adopt uniform requirements as far as the documentation needed for the release and clearance of goods is concerned[85]. Finally, the authorities will allow goods to be brought into a customs territory for the purposes of inward or outward processing, conditionally relieved, totally or partially, from payment of import duties and taxes.

As regards non-mandatory measures - which the authorities are nonetheless strongly encouraged to implement - there is the single window. The aim is for the trader to report to only one place where all border agencies are represented in order to ensure the release and clearance of his goods[86]. Moreover, and in order to facilitate formalities, the authorities are encouraged to refer to international standards and to accept copies of the documentation.

Freedom of transit

Although the issue of transit is not expressly subject to compliance obligations, the Agreement does set principles of conduct in this regard. Thus, it is recommended that formalities be removed if there is no need for them[87], and traffic in transit is not to be conditioned upon collection of any fees and charges. The guiding principle is that goods in transit should not receive less favorable treatment than that reserved for direct shipments. The pre-processing of documents for goods in transit should be made possible, and countries are encouraged to coordinate all matters relating to taxation, formalities and transit procedures.

c. Customs cooperation

Customs cooperation provisions in the Agreement refer to a code of best practices in sharing information on traders' declarations and operations in connection with the import and export of goods.

A country may make a request for information to the authorities of another country after it has conducted its own verification procedures regarding an import or export declaration. In such a case, the request has to be made in writing and has to include the matter at issue and the reasons for the request, in addition to giving information

83 The risk management system is based on the use of scanners as well as selection criteria defined by the customs services themselves.

84 The aim is to reduce the time and cost of traders' compliance with laws and regulations applicable to international trade transactions.

85 However, nothing prevents them from operating differently.

86 It is argued that the single window is the most successful form of procedural simplification and facilitation of trade.

87 Transit formalities should only concern the identification of goods and verification of compliance with transit requirements. Once the goods have been authorized for shipment, they should not be subjected to delays or restrictions.

about the declaration, such as the serial number, the identity of the originating office making the request and references to domestic legislation. The requesting country will ensure the confidentiality of the information received, unless authorized to do otherwise, and inform the requested member - upon request - of any decision or action taken on the matter.

Answers to the requesting member will be made in writing, through paper or electronic means, and will provide information on the declaration and other related useful data. In case of postponement or refusal of a request, the reasons will be given, if it is so wished. In processing the request, the requesting member will take into account the associated resource and cost implications and seek to apply the principle of reciprocity.

1.2 Measures under the special and differential treatment for developing countries

The text on trade facilitation provides for flexible measures for developing and least developed countries. These conditional implementation measures were secured by developing countries, particularly through lobbying by the African group, to ensure access to technical assistance for capacity building. A mechanism has thus been incorporated in Section II of the Agreement to make sure developing countries and LDCs would not have to pay a high price for committing to a binding multilateral trade agreement.

In this regard, North African countries can receive technical support from donors and international organizations for capacity building on the basis of their own determination of the measures for which support is sought.

a) Categories of provisions

In accordance with the modalities set out in Section II of the Agreement, North African countries have the possibility to classify the Agreement's provisions according to 3 categories of provisions: A, B and C.

- Category A refers to measures that countries will implement upon entry into force of the Agreement
- Category B refers to the provisions that countries will implement after a transitional period of time following the entry into force of the Agreement.
- Category C refers to the provisions that countries will implement after a transitional period of time following the entry into force of the Agreement, but which require technical assistance.

The Agreement provides that developing countries and LDCs not only make their own categorization measures (A, B and C), but that they also determine themselves the length of the transitional period required for the implementation of category B and C provisions.

Category B

For Category B provisions, developing countries will notify definitive dates for implementation one (1) year after the entry into force of the Agreement. LDCs will confirm, 3 years after the entry into force of the Agreement, the provisions they place under Category B and notify the definitive dates for their implementation.

Category C

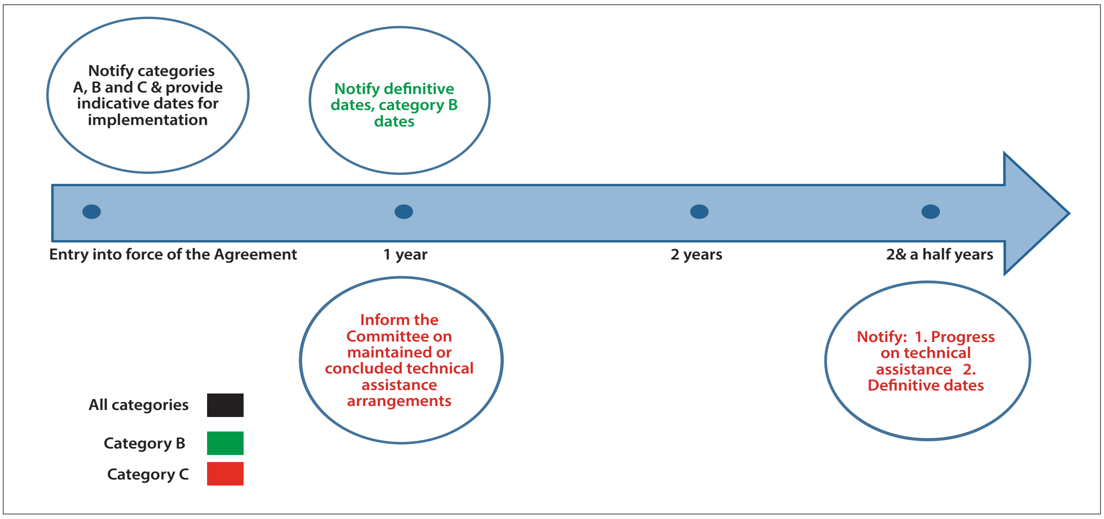
As regards Category C provisions, for which developing countries will need technical assistance, the countries together with the donors will, one year after the entry into force of the Agreement, inform the WTO Trade Facilitation Committee of the concluded arrangements. Two and a half years later, countries and donors will inform the Committee of the progress made, and developing countries will notify the definitive dates for implementation.

LDCs will notify their needs to the Trade Facilitation Committee two years after the entry into force of the Agreement. Then two years later, they will inform the Committee of the concluded arrangements. Finally, one year and a half later (5 and a half years after the entry into force of the Agreement), LDCs will notify the Committee of their definitive dates for the implementation of the provisions under Category C.

b) Additional time for notification of definitive dates

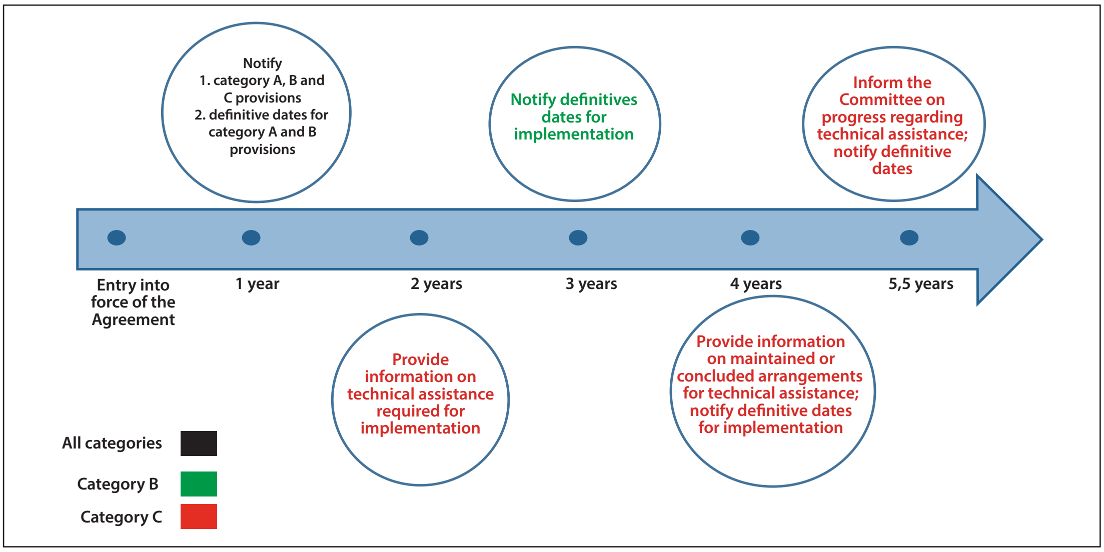
Under Section II of the Agreement, developing countries and LDCs may request additional time to notify the definitive dates if they experience difficulties during the period of two and a half years, including the lack of donor support or difficulty in securing the necessary assistance.

Figure 4 :
Notification scheme for the categories of provisions: Developing Countries



Source: Figure based on WTO data

Figure 5 : Notification scheme for the categories of provisions: Least Developed Countries



Source: Figure based on WTO data

c. *Early warning mechanism*

Section II also provides for an early warning mechanism. Should a country consider that it cannot meet the implementation deadline, the Trade Facilitation Committee may extend the dates previously notified. Automatic extension is provided for, to the extent that the new period is defined. The mechanism can also be used to shift category B provisions to category C, should there be any adverse events.

d. *Safeguard clause*

Also included in Section II of the Agreement is a safeguard clause. Should a developing country or LDC consider, when the date set for implementing a provision comes, that it is unable to implement it, it will not be required to do so. The text of the Agreement preserves the principle of a country's self-assessment of its ability to implement a provision or not, after having exhausted all other procedures through the early warning mechanism. The decision made by a developing country or LDC cannot be challenged by a Member. However, a review of the assessment made by the country can be conducted by a third party, followed by a decision by the Trade Facilitation Committee.

1.3 Partners and their role in the implementation of the Bali Agreement

As part of their commitment to implement trade facilitation measures, North African countries can benefit from the support of relevant international organizations, as provided in Section II of the Agreement and in Appendix D of the Agreement in July 2004[88]. Among the organizations mentioned are the World Bank (WB), the United Nations Conference on Trade and Development (UNCTAD), the UN regional commissions, the International Monetary Fund (IMF) and the World Customs Organization (WCO). These institutions are mandated to provide technical assistance and support to developing countries and LDCs in capacity building and in implementing trade facilitation measures.

This list is not restrictive. Other stakeholders can support donors in their assistance role, including the International Trade Centre (ITC), which has expertise in assisting businesses in developing countries and LDCs.

Generally speaking, the role of international organizations is to meet countries' needs in terms of technical assistance, to help them with capacity building, to support them in the implementation provisions and to ensure the long-term sustainability of the Agreement's benefits. More specifically, international organizations will provide immediate assistance to developing countries in the determination of categories A, B and C. They will help to establish national committees to facilitate trade and will contribute to developing efficient border procedures while involving relevant local stakeholders, such as the private sector. In addition, these partner organizations will accompany the countries concerned in developing an implementation plan for the long term, and will support them for proper implementation of reform programs on trade facilitation.

Finally, international organizations will provide all tools for trade facilitation at their disposal and furnish countries with the recommendations and standard norms they develop. The WTO, through its Trade Facilitation Committee (TFC), will, among other things, organize the cooperation of donor countries and institutions, including in the area of exchange of information on assistance needs expressed by developing countries and LDCs. At the initiative of developing countries, a "mechanism for the Trade Facilitation Agreement" was set up for this purpose. This mechanism refers to the creation of a fund to provide last resort assistance to developing countries and LDCs in case they experience difficulty in finding donors to help them meet the Agreement's

88 See Annex 1, p. ...

implementation requirements[89]. This WTO mechanism is intended to complement the efforts exerted by other regional and multilateral organizations, and by bilateral donors and other stakeholders in the provision of technical assistance and support for capacity building in trade facilitation.

The functions of the WTO mechanism, as set out in its formalization, are as follows:

- Assist LDCs and developing countries in assessing their specific needs and identify potential partners;
- Ensure the best possible conditions for the flow of information between donors and recipients;
- Help develop and disseminate best practices for the implementation of trade facilitation measures;
- Find sources of assistance for the implementation of the Agreement when efforts to find support fail;
- Provide grants for development and implementation of projects related to the implementation of specific provisions in the Agreement.

The WTO mechanism picks on a similar tool created by the World Bank: "World Bank Trade Facilitation Facility". The two organizations - WTO and the World Bank - intend to cooperate closely to ensure complementary between their instruments so that efficient assistance may be provided to developing countries, including North African nations.

The World Customs Organization (WCO) will also have a key role to play in providing advice for the implementation and management of the Agreement, given the many tools it has developed as part of its mandate, including the Revised Kyoto Convention on the Simplification and Harmonization of Customs Procedures (RKC), the SAFE Framework, which aims to facilitate global trade and ensure its security, the Single Window Compendium and the study on the time needed for the release of goods.

2) Achievements and insufficiencies of North African countries in light of the Bali Agreement

The purpose of this section is to study the status of North African countries with respect to their performance and insufficiencies in the area of trade facilitation, in light of the extent to which they comply with the provisions of the Bali Agreement.

2.1 Analysis of levels of compliance with the Agreement

The results presented in the tables below concern Algeria, Egypt, Libya, Morocco, Mauritania, Sudan, and Tunisia. The information that helped feed the table comes from different sources. Whenever it was possible, the information was collected directly from the public administrations concerned - ministries of foreign trade and Customs in particular. When the authorities concerned could not be reached, or when the information was insufficient, data was collected from the official websites posting information on the regulatory frameworks for trade transactions. Finally, the reports of international organizations also served as a source of information.

Tables 10, 11 and 12 are compiled in light of the articles forming Section I of the Agreement. A distinction is also made between the articles according to the areas of commitment. Thus, Table 10 deals with the provisions on the availability of information and transparency on customs formalities and procedures required for import, export or transit (Articles 1 through 5). Table 11 deals with duties, taxes and customs formalities

89 WTO (2014), "Roberto Azevedo launches new mechanism for the WTO Agreement on trade facilitation, which aims to provide assistance to LDCs and developing countries", Press, July.

(Articles 6 through 11), and Table 12 deals with customs cooperation (Article 12). The letter (C) means the country complies with the provision of the Agreement on Trade Facilitation (ATF), P is for partially compliant, and N is for non-compliant.

Table 10 : Availability of information and transparency on customs procedures

Availability of information and transparency on procedures and formalities										
Art.	**Provision**	**N°**	**Nature**	**Morocco**	**Tunisia**	**Algeria**	**Mauritania**	**Libya**	**Egypt**	**Sudan**
1.1	Publication	1	Binding	**C**	**C**	**C**	**P**	**P**	**C**	**C**
1.2	Information available on the Internet	2	Binding	**C**	**C**	**C**	**P**	**P**	**C**	**P**
1.3	Enquiry points	3	Binding	**C**	**C**	**C**			**C**	
1.4	Notification	4	Binding	**C**	**C**	**C**	**P**		**C**	
2.1	Opportunity to comment and information before date of entry into force	5	Binding	**C**	**C**	**C**	**P**		**N**	**N**
2.2	Consultations	6	Binding	**C**	**C**	**C**	**P**		**P**	
3.1	Advance rulings	7	Binding	**C**	**C**	**P**			**N**	**N**
4.1	Right to appeal or review	8	Binding	**C**	**C**	**C**	**C**		**C**	
5.1	Notifications for enhanced controls or inspections	9	Binding	**N**	**P**	**P**				**N**
5.2	Detention	10	Binding	**C**	**C**	**C**	**C**			
5.3	Test procedures	11	Binding	**C**	**C**	**C**	**P**		**C**	

Sources: Compiled from various sources: governments, agency websites, reports.

Table 11: Fees, charges and customs formalities

Fees, taxes and customs formalities in connection with import, export or transit										
Art.	Provision	N°	Nature	Morocco	Tunisia	Algeria	Mauritania	Libya	Egypt	Sudan
6.1	General disciplines on fees and charges imposed on or in connection with importation and exportation	12	Binding	C	C	C	C		C	
6.2	Specific Disciplines on fees and charges imposed on or in connection with importation and exportation	13	Binding	C	C	C	C		C	
6.3	Penalty disciplines	14	Binding	C	C	C	P		P	
7.1	Pre-arrival processing	15	Binding	P	P	C	P		P	P
7.2	Electronic payment	16	Non-binding	C	C	P	N		N	P
7.3	Separation of release from final determination of customs duties, taxes, fees and charges	17	Binding	C	C	C	C		N	C
7.4	Risk management	18	Binding	P	C	C	P	N	N	
7.5	Post-clearance audit	19	Binding	C	C	C	N		C	N
7.6	Establishment and publication of average release times	20	Non-binding	C						
7.7	Trade facilitation measures for authorized operators	21	Binding	C	P	C	N	N	P	N
7.8	Expedited shipments	22	Binding	C	C	P	P		N	N
7.9	Perishable goods	23	Binding	P	P	P			P	
8	Border agency cooperation	24	Binding	C	C	C				

9	Movement of goods Under customs control intended for import	25	Non-binding	C	C	C	C		C	
10.1	Formalities and documentation requirements	26	Binding	C	C	P	N	N	N	
10.2	Acceptance of copies	27	Non-binding	C	C	C	N		P	
10.3	Use of international standards	28	Non-binding	C	P	P	P	N	P	P
10.4	Single window	29	Non-binding	P	P	N	N	N	P	N
10.5	Pre-shipment inspection	30	Binding	P	P	P	P		P	P
10.6	Use of customs brokers	?	Binding	C	C	C	C		C	C
10.7	Common border procedures and uniform documentation requirements	32	Binding	C	C	C				
10.8	Rejected goods	33	Binding	C	C	C			C	C
10.9	Temporary admission of goods/Inward and outward processing	34	Binding	C	C	C	C		C	
11.1-3	Taxes, regulations and formalities in connection with transit	35	Non-binding	C	C	C	C		C	C
11.4	Consolidation of non-discrimination	36	Non-binding	C	C	C	C		C	P
11.5-10	Control procedures in connection with transit	37	Non-binding	C	C	C	C		C	C
11.11.1-5	Guarantees	38	Non-binding	C	C	C	C		C	C
11.12-13	Cooperation and coordination	39	Non-binding	C	C	C	C		C	C

Sources: Compiled from various sources: governments, agency websites, reports.

Table 12: Customs cooperation

Customs cooperation										
Art.	**Provision**	**n°**	**Nature**	**Morocco**	**Tunisia**	**Algeria**	**Mauritania**	**Libya**	**Egypt**	**Sudan**
12	Customs cooperation	40	Non-binding	C	C	C	C	P		P

Sources: Compiled from various sources: governments, agency websites, reports.

Given the above findings, it seems that as far as the standards of the Bali Agreement are concerned, the North African countries are relatively advanced in general. This is particularly significant for major exporting countries in the region, such as Morocco, Tunisia, Algeria and Egypt. The latter are basically in line with more than 50% of the provisions of the WTO Trade Facilitation Agreement. Egypt would have a compliance rate just under 50%.

Conversely, Mauritania, Libya and Sudan seem to have a compliance rate with FTA provisions far below 50%[90]. However, initiatives have been taken recently, especially in Mauritania, to improve trade promotion mechanisms. As for Libya and Sudan, they need to make substantial efforts to reform their business environment and make it more conducive to trade with the outside world. Country results are summarized in the following paragraphs with a focus on areas that require capacity building and technical assistance.

Morocco

Morocco is one of the advanced countries in the area of trade facilitation. It seems to be compliant with nearly 85% with the Agreement's provisions, partly compliant with 13% and only 2% of the provisions would require new initiatives. If necessary, the country may seek technical assistance for the measures that would require such assistance.

Morocco makes information available and is transparent on customs formalities and procedures relating to import, export and transit of goods. Information is available on the Internet and there are enquiry points to which traders can report to find out about formalities and procedures related to commercial transactions.

As regards predictability and the acceleration of the release of goods, Morocco uses the advance rulings system for tariff classification and the origin of goods. In case of unfavorable decision by customs on the goods declared, the legislation gives the trader the right to appeal to an administrative body. The trader is also promptly informed of the seizure of goods for the purpose of greater control. A test procedure is also provided for, allowing for a second series of tests on the goods, and the name and address of a laboratory are provided to the trader.

In terms of formalities, the smooth movement of goods is promoted thanks to a separation of release from the final determination of customs duties, taxes, fees and charges. Customs also conduct post-clearance audit to check traders' compliance with regulatory requirements. These measures speed up the passage of goods and reduce the risk of bottlenecks at border crossings. Moreover, the national authorities have developed an authorized economic operators program (AEO) that enables authorized operators to benefit from additional facilities for release and clearance. More than 307 companies have received authorized status to date.

90 It should be noted that on information about Libya in particular, its regulatory framework and trade facilitation practices is lacking.

The efforts required to improve compliance with the trade facilitation provisions prescribed in the WTO Agreement concern in particular the pre-arrival processing of goods[91] as well as the establishment of additional appropriate facilities for perishable goods[92].

At operational level, the Moroccan customs should improve the risk management system to target sensitive flows and combat fraud. The generalization of the single window is also an issue on which the authorities ought to be working.

The only provision on which a new initiative needs to be taken concerns the notification of inspections or enhanced controls; the national foodstuffs safety office (ONSSA) should write down the applicable procedures.

Tunisia

Tunisia also seems to be well advanced in terms of trade facilitation. Its compliance rate with the provisions of the Bali Agreement is over 80%, is partially compliant with 18% of provisions and non-compliant with 2%.

As regards achievements, Tunisia practices separation of release from the final determination of duties, taxes, fees and charges. Advance rulings are planned for tariff classification and origin of goods, and traders are promptly informed in case of detention of their goods. Testing procedures are provided for, and information on customs formalities and procedures is available online.

Moreover, Tunisia has an operational risk management system and uses post-clearance audits to check compliance with national regulations. These measures contribute to accelerating the release and clearance of goods and provide further incentives to traders to increase the volume and pace of their business transactions.

There seems to be cooperation between border agencies, and the authorities have started granting procedural facilities to economic operators (AEO). This aspect still needs to be developed as only 10 companies have to date received AEO status. Tunisia should expand the concept and enable other non-industrial operators to obtain authorized operator status. The scheme should benefit port operators, freight forwarders, carriers and others.

Under the efforts still to be made, Tunisia could improve the treatment the pre-arrival processing of documentation and take into account declarations other than those relating to sensitive goods. Tunisia would also benefit from signing all international conventions on transport and trade facilitation. The country still has to join the Kyoto Convention, which is a benchmark for efficient customs procedures.

Finally, the country should generalize across the national territory the single window experience started in 2000 at the port of Tunis, which is managed by the TradeNet company.

Algeria

Algeria is also part of the trio of North African countries whose compliance rate is above the average. The compliance rate with the Bali Agreement provisions is 75%; it is partially compliant with 21% and non-compliant with only 6% of provisions.

As regards Algeria's achievements, it is possible to obtain information on formalities and procedures in connection with import, export and transit. There are also several enquiry points where traders can seek information and obtain the forms needed for commercial transactions.

91 There is pre-arrival deposit for a certain type of goods, under certain conditions and with prior approval of the Director of the Customs Administration. Reference: s. 66-2 and 3 of the Customs Code.

92 Particularly with respect to storage facilities.

Algeria has established a procedure for processing formalities before the arrival of goods and separates the release of goods from the final determination of duties, taxes, fees and charges. In addition, the legislation provides for the right of appeal in the event of an unfavorable decision regarding a trader's goods as well as the possibility of conducting a second series of tests on request. In case of detention of goods, the trader concerned is notified.

Post-clearance controls are planned and a risk analysis system is in place. To promote the streamlining of customs procedures, the Algerian authorities have also instituted regular consultations with the private sector. An economic operators certification program was established to facilitate the release and clearance of goods. So far, nearly 200 operators have been certified in Algeria, including more than 100 in 2013.

The areas where efforts are still needed include notification of inspections or enhanced controls as well as the establishment of advance rulings on the tariff classification of goods. Algeria should also exert more efforts concerning inter-agency coordination and harmonization of border procedures. Similar efforts are needed regarding the effective implementation of single windows to speed up foreign trade formalities.

Mauritania

Mauritania is a North African country whose trade facilitation performance seems to be generally inadequate relative to the provisions of the Trade Facilitation Agreement. The overall level of compliance of the national regulatory framework is currently less than 50%. The country seems to be compliant with approximately 25% of the provisions of the Bali Agreement, partly compliant with 25% of provisions and non-compliant with the remaining 50%.

Among the measures that promote the free flow of trade in Mauritania is the separation of the release of goods from the final determination of duties, taxes, fees and charges. Similarly, traders have the possibility to appeal to an administrative body in case of unfavorable decision regarding their goods.

From the operational standpoint, Mauritania has a risk management system called ASYCUDA which is operational at the port of Nouadhibou. Mauritania has developed a website offering the possibility to download the Customs Code, along with information on procedures for import, export and transit. On the shortcomings side, one should point out the lack of comprehensive information on trade procedures and formalities. Improvements are also needed regarding clear information on applicable duties and taxes.

Furthermore, the legislation does not provide for advance rulings procedures, nor pre-arrival processing of documentation. Similarly, post-clearance audits do not seem to be in place at this time. Apparently, there is no operator certification program. However, there are ongoing projects for trade facilitation, such as promotion of interaction with the private sector to contribute to the development of better customs practices. Mauritania is also developing cooperation among border agencies. It works more closely with the Moroccan and Algerian authorities on the exchange of information and training in customs matters.

Egypt

Judging from the available data, it seems that Egypt is compliant with nearly 45% of the provisions of the WTO Agreement, partially compliant with 35%, and reforms are needed for 20% of provisions. As regards achievements, information is published and is available on the Internet concerning formalities and procedures in connection with import, export and transit. There are also enquiry points in the country where traders and other parties may inquire about formalities.

In addition, and in order to speed up the movement of goods at border crossings, the Egyptian customs authorities conduct post-clearance audits. Transit operations are also facilitated and the only controls applied to goods in transit are at the points of entry.

To defend their interests, traders have a right of appeal against a negative ruling by the authorities regarding their goods. They also have the possibility to have additional tests performed on the seized goods for enhanced control.

As regards institutional and operational improvements needed to speed up the pace of business transactions, Egypt should enhance transparency in customs procedures and streamline formalities by ensuring greater involvement of the private sector in the formulation of laws and regulations. Better involvement of the private sector would require the development of a program for the certification of economic operators for both exporters and importers. To date, only major importers - about 400 of them - are granted facilities for the release and clearance of goods.

The Egyptian authorities should also develop procedures for advance rulings, introduce a separation of release from the final determination of duties, taxes and charges, and expand possibilities for the pre-arrival processing of documentation.

Finally, among the key measures needed to promote trade facilitation, Egypt should develop a coordinated risk management system and target the generalization of the single window system across the country.

Libya

As regards Libya, the operating framework of customs agencies seems to have inadequate trade facilitation capabilities. Furthermore, it is difficult to obtain information on this country's trade performance, given the current events in the country.

However, one can say that there are gaps in Libya in terms of provision of information on customs formalities and procedures for the import, export and transit of goods. In the present situation, there are no enquiry points in the country on formalities concerning commercial transactions with the outside world. Apparently, all operational mechanisms for accelerating the release and clearance of goods are lacking.

There seem to be too many complex formalities. Moreover, Libya is party to none of the major international conventions on trade facilitation (see Table 4, p. 25). The country will definitely need technical assistance from WTO and other organizations to undertake a comprehensive assessment of its needs for trade facilitation.

On 25 November 2001, Libya filed a formal application to join the WTO but still has not submitted a memorandum on its foreign trade regime, and the Working Group has not yet met to consider this application.

Sudan

Sudan is a country whose trade-related regulatory environment, infrastructure and flow of goods require major reforms and substantial technical assistance[93] will most certainly be needed.

Based on the information available, it seems that Sudan complies with the provisions of the WTO Agreement to the tune of nearly 20%, is partially compliant with 35% of provisions, and is non-compliant with the remaining 45%.

Under the achievements side, Sudan publishes information on customs formalities and procedures relating to import, export and transit, although this information is not quite complete. Moreover, the country applies separation of release from the final determination of customs duties, taxes, fees and charges. Rejected goods can be returned to the exporter and there is no compulsory use of customs brokers.

93 Sudan is also one of the countries for which the information available on trade facilitation is limited.

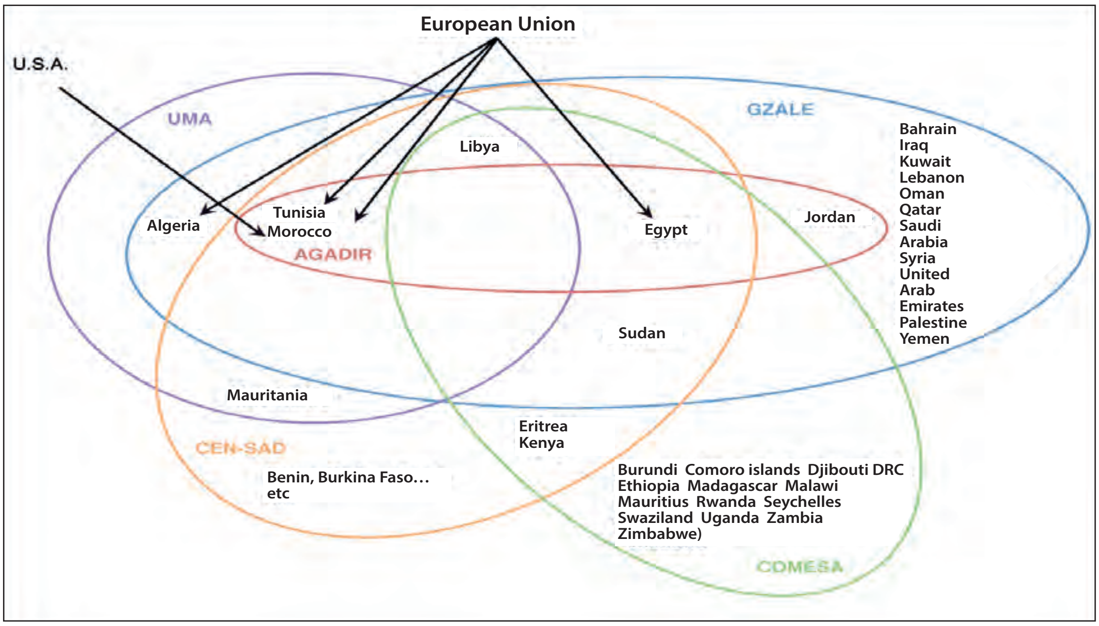
Progress is needed in relation in particular to the system of advance rulings, pre-arrival examination, post-clearance audit, involvement of the private sector in improving customs procedures and the development of an economic operators certification program. Sudan does not seem, at this time, to have planned the establishment of a single window system.

2.2 Interactions between regional agreements and the objectives of the Bali Agreement

While the Bali Agreement can be perceived as a real opportunity to promote trade in North African countries, the necessary condition for the consolidation of intra-regional trade remains - beyond the availability of information and the streamlining of formalities at domestic level - full cooperation between border customs authorities. This cooperation should focus as much on information regarding traders' transactions as on harmonizing border procedures. Customs cooperation is an indispensable instrument for regional integration given the strategic positioning of customs services at borders.

To date, North African countries are involved in several regional preferential agreements: UMA, CEN-SAD, Agadir, GAFTA, COMESA.

Figure 6: Constellation of preferential agreements in North Africa



Source: African Development Bank Report (2012).

Notes: Arrows indicate bilateral trade agreements; Circles indicate preferential trade agreements. Abbreviations: AGADIR (Mediterranean Free Trade Area); CEN-SAD (Community of Sahel-Saharan States) COMESA (Common Market for Eastern and Southern Africa); GAFTA (Greater Arab Free Trade Area), and UMA (Arab Maghreb Union).

Although all North African countries are partners in several free trade agreements, projects or customs unions, interstate cooperation remains generally limited in the area of harmonization of customs frameworks, procedures and documentation required for import and export activities. This is clearly reflected by the time, cost and number of documents required for cross-border trade, as explained in Chapters III and IV. Moreover, it seems that the multiplicity of existing customs agreements can be a source of confusion and conflicting standards, which could hamper the dynamics of intra-North African trade.

Existing agreements refer, in fact, to different rules of origin or lists of exceptions,. This means the same goods from the same country, for example Morocco, sent to Tunisia or Algeria may be taxed differently, depending on the scheme in place. Such an environment is conducive to conflict and may deter traders from initiating commercial transactions, knowing that customs authorities may, on both sides of the border, choose on a discretionary or discriminatory basis the arrangements to be applied, without possibility for the decision to be necessarily challenged. In their commercial relations with the European Union, North African countries do not face this problem, which widens the gap of the volumes traded vertically and horizontally.

Thus, the relative performance noted in connection with North African countries' regulatory frameworks for trade facilitation are mainly due to the bilateral agreements signed with the EU and / or the United States[94]. These North-South agreements encouraged the four major North African exporters to introduce customs reforms that have made the cost of these countries' commercial transaction with Europe lower than with their immediate neighbors. However, once it is fully implemented, the Bali Agreement on trade facilitation will presumably expand prospects for the promotion of regional trade integration, and supplement existing sub-regional and bilateral agreements. The overhauling measures listed in the action plan below, focus on four components: 1) harmonization of formalities and customs cooperation; 2) increased predictability for traders; 3) exchange of information and training; 4) greater cooperation between the public and the private sector.

94 See Annex 7, p....

VI. Outline of a regional plan of action to improve trade and transport

As mentioned in the introduction, cross-border trade in North Africa - including between Maghreb countries - is essential for the development of the sub-region. The significance of its contribution, from the economic perspective, should be perceived beyond the current total volume of trade between the countries concerned. Cross-border trade can be an important lever for regional integration and stronger economic interdependence. Its development and vibrancy will hinge as much on the political, security and economic stability of the countries concerned as on the will of the different actors involved to engage in reforms that promote full factor mobility.

The countries visited for the purpose of this study have invested more on facilitating trade with third countries, mainly those of the European Union, as a result of the association agreements concluded by each one of them with the EU. Unlike trade relations with Europe which received special attention, much less interest has been taken in bilateral and intra-regional trade, notwithstanding the existing potential. This situation has led to considerably higher cost of trade between North African countries than with Europe and other parts of the world.

The efforts made at national level and the expected positive outcome of some existing agreements in key sectors such as customs tariffs or transport cannot be a substitute for a proactive, participatory approach to regional and cross-border facilitation in the sub-region. Many other issues that are specific to intra-regional trade still need to be addressed in a comprehensive manner by North African countries, despite the fact that they have been partially tackled as part of previous initiatives, including those of the IMF.

This study has highlighted the obstacles or inefficiencies hampering regional cross-border trade. They deserve special attention by national trade policy developers as far as implementation of urgent measures and steps is concerned. For the most part, these obstacles are the result of a proliferation of non-tariff barriers, despite the existence of a number of bilateral and free trade agreements which have been concluded, in principle, to simplify intra-regional trade.

The additional cost of foreign trade operations is due to the state of infrastructure, which is sometimes inadequate, regulations that are not always appropriate and the low level of services provided at the border due to limited economic integration in the sub-region. The missions carried out on the ground and the results of guide-based interviews with public and private operators have made it possible to identify the main obstacles impeding interstate trade. They are as follows:

- a deficit in infrastructure and equipment at border crossings, including logistics equipment (weighbridges, forklift trucks, computer equipment, etc.);
- lack of certain border control services, including sanitary and phytosanitary control, technical control and food analysis, which leads to delays in clearance formalities;
- the diverse and still large number of documents required in connection with import and export formalities;
- insufficient decentralization of administrative authority, which leads to delays in making urgent decisions at border crossings;
- lack at most border crossings of support services and facilities, such as banks, insurance companies, post, telecommunications, restaurants and hotels;
- multiplicity of road checkpoints, which leads to additional delays and considerably affects the efficiency of the regional trade chain;

- difficult working conditions, at times, at border crossings; this is compounded by frequent power outages or network connection problems, which affects staff efficiency as well as the quality of the services rendered;
- lack of predictability for operators as to delivery times of goods;
- lack of communication platforms, information exchange systems and common controls between border agencies within the same country;
- lack of interstate coordination, even when trade is governed by preferential agreements;
- gap in terms of accession to, and implementation of, international conventions (TIR, RKC, ADR ...) for most countries in the North Africa region.

To sustainably remove these numerous regulatory, institutional and logistics obstacles, this study is making recommendations in the form of a regional action plan that includes regional, bilateral and national measures. The feasibility of each action in the short, medium and long term, the targeted objective and the relevant institutions or government agencies concerned by implementation are also defined. The Plan revolves around the following four main axes:

Axis 1. Consolidating and optimizing infrastructure and logistics related to trade and transit at border crossings

Axis 2. Improving the regulatory and institutional framework

Axis 3. Strengthening national capacities for foreign trade

Axis 4. Strengthening inter-state cooperation through central authorities and border agencies.

1) Consolidating and optimizing logistics infrastructure related to trade and transit at border crossings

No regional transport and trade facilitation program can be developed and be efficient if it is not supported by a set of basic projects for the development of the transport and logistics infrastructure (roads, highways, interconnected railways, sea and air links, equipment and support services). The main goal should be to strengthen physical connectivity between the countries concerned; this requires further investments in regional infrastructure. To this end, greater benefits should be derived from international funding mechanisms, including the Aid for Trade Initiative. Investments will have to be made to increase port capacity - several ports are under-equipped in terms of materials and related facilities - and reduce substantial gaps in infrastructure in the eastern and southern parts of the Maghreb region. The asphalting of the missing sections, the link-up of road and highway networks and the installation of additional, up-to-date equipment at border crossings are essential steps to increase trade between North African countries.

In the design and development of border crossings, and while fully integrating security considerations, greater attention should be given to other objectives, including facilitation of international transit, greater fluidity of the movement of passengers and goods, reduced import and export times, procedures and formalities. The actions recommended are as follows:

Type of action (Regional, bilateral or national)	Description and purpose of the action/measure	Feasibility CT / MT & LT	Lead administrations / institutions	Technical and financial partner institutions
Regional actions:				
Improve the quality of road infrastructure on both sides of each crossing and **create** special lanes for freight carriers.	This infrastructure should serve most overland trade development objectives	Short and medium term	Ministries of Transport and/or Equipment and Logistics	AfDB, WB, EIB and EU
Achieve road interconnection, particularly through the construction of the missing sections of the Trans-Maghreb Highway		Short term		EU/EIB/ UfM
Create national agencies for the promotion of logistics, like the AMDL (Morocco)	These agencies will be responsible for developing transport and trade logistics	Medium term	Ministries of Transport/ Equipment/ Finance/ Development agencies	AfDB, WB, EIB and EU
Develop sea transport of goods through the restructuring and revamping of maritime trade ports	The quality of port logistics infrastructure must meet applicable international standards	Medium and long term	Minisries of Transport and/or Equipment Logistics agencies	AfDB, WB, EIB and EU
Bilateral actions:				
Tunisia - Algeria:				
Better organization of border crossings between Algeria and Tunisia, which are located in mountainous areas	Create parking lots for carriers, who are often obliged to spend the night at the transit zone to be able to carry out formalities	Short and medium term	Ministries of Transport / Logistics agencies/ Chambers of Commerce	AfDB, WB, EIB and EU
Inject fresh momentum into rail transport of persons and goods between Algeria and Tunisia	The network exists and simply needs rehabilitation. This type of transport offers many advantages, especially lower monetary costs and the possibility of using multimodal transport	Short and medium term	Ministries of Transport / Ministries of Equipment	AfDB, WB, EIB and EU

Type of action (Regional, bilateral or national)	Description and purpose of the action/measure	Feasibility CT / MT & LT	Lead administrations / institutions	Technical and financial partner institutions
Tunisia - Libya:				
Develop a second border crossing dedicated to the transit of goods	The only border crossing - Ras Jedir - is no longer sufficient to cope with the flow of trade between Tunisia and Libya	Medium term	Ministries of Transport/ Equipment/ Finance/ Agencies PPP	AfDB, WB, EIB and EU
Develop maritime transport of goods between Tunisia and the eastern part of Libya	Restructuring of the Ben Ghazi maritime port and opening maritime transport routes between Ben Ghazi and Tunisian ports	Medium and long term		IOM/EU
Morocco - Mauritania:				
Asphalting the 5km road section that separates the border crossing between the Moroccan and Mauritanian sides, and which is very difficult to cross	The aim is to ensure expeditious flow of the vehicles carrying goods and to tackle smuggling activities which are highly developed in the region. It would be useful to encourage certain trade, industrial or service companies to set up branches near the border. They would benefit from the advantages offered by each country and would contribute to the development of border regions in addition to facilitating cross-border trade. The development of these areas can be can be a key driver for the development of border towns which suffer from considerable regional disparities	Short and medium term	Ministries of Transport/ Equipment/ Finance/ Interior Development agencies Chambers of Commerce Employers' associations PPP	AfDB, WB, EIB and EU
Create and develop commercial and logistic areas next to various border crossings reserved for transit of goods		Short and medium term		AfDB, WB, EIB, IMF and EU
Strengthen infrastructure at the Moroccan and Mauritanian border crossings by supplying them with missing logistical equipment (weighbridges, forklifts, etc.)		Short and medium term		AfDB, WB, EIB, IMF and EU
Encourage maritime transport between the ports of Dakhla and Nouadhibou by equipping these ports with handling facilities (forklifts, cranes...etc.)		Medium term		AfDB, WB, EIB, IMF and EU

Type of action (Regional, bilateral or national)	Description and purpose of the action/measure	Feasibility CT / MT & LT	Lead administrations / institutions	Technical and financial partner institutions
National measures:				
Tunisia:				
Accelerate the deep-water port project at Enfidha, which is part of the effort to develop maritime transport	This port can be a catalyst in boosting sea transport of goods between Tunisia, Algeria and Libya. This future port, being close to the city of Sousse and the Tunis-Sfax highway, will also contribute to developing multimodal international transport of goods by containers	Short and medium term	Ministry of Equipment and of Housing	AfDB, WB, EIB, IMF and EU
Speed up the project to create a commercial and logistics zone at Ben Guerdane	This project, whose design phase has been completed, requires resolute action by authorities for its effective launching	Short and medium term	Ministry of Equipment	AfDB, WB, EIB, EU
Morocco:				
Speed up the construction of «Bir Gandouz» logistics platform designed to host commercial and logistics activities	Compensate for remoteness between supply sources (Tangiers, Casablanca and Agadir) and final destination of goods (Nouadhibou and Nouakchott in Mauritania, even goods in transit to Senegal)	Medium term	Ministries of Equipment, Finance and Interior / Employers' associations Chambers of Commerce	WB, EIB and EU
Move customs and non-customs control services to «Bir Gandouz», which is located on the road leading directly to Mauritania and which is close to the border (80 km away)	Avoid entry into the town of Dakhla (80 km round trip) of Mauritania-bound TIR trucks transporting goods, in order to complete formalities	Medium term	Ministry of Equipment / Ministry of Transport	EU/ EIB

Note: *The data and information contained in above table are derived from guide-based interviews.*

2) Revamping the regulatory and institutional framework

Revamping the regulatory and administrative aspects requires a substantial reduction of non-tariff barriers (NTBs), and all measures taken by the authorities must be part of the ambitious drive to promote facilitation, harmonization and regional cooperation. To this end, a number of best practices should be adopted regarding the laws and regulations governing trade. They should be based on internationally recognized benchmarks and standards. This effort should be governed by a specific time frame and a timetable with deadlines for the implementation of regulations over the short, medium and long terms.

Improving the performance of North African countries in the transport and trade sectors requires adherence by all countries to major international conventions governing transport, transit and trade facilitation. Table 9 shows highly differentiated levels of adherence to these normative sources by the countries of the sub-region. Whereas Morocco and Tunisia have joined almost all agreements (7 out of 9), Libya has joined none of the listed conventions, and Algeria, Egypt, Mauritania and Sudan are parties to only 2 or 3 conventions. It is strongly recommended that all North African countries adhere to these instruments and subscribe to the provisions of the Bali Agreement. This would help bring national formalities, procedures, operations and documents in line with international standards and practices, in addition to facilitating reforms to develop cross-border trade and interstate transportation and transit.

The involvement of Morocco and Tunisia in almost all of these agreements, coupled with the support they can give to the other countries offer opportunities that should be exploited. This support could be further strengthened by the assistance to be provided by international organizations and private institutions which developed those Conventions, both during the accession process and in the implementation and monitoring phases, provided the countries that have not yet joined those conventions demonstrate a clear commitment in this regard. When the process of accession to these conventions is started, it is accompanied by the provision of technical assistance and the training of national experts.

The goal is to bring all North African countries to adopt the same legal instruments, which are essential for trade facilitation, including the transport of goods by road. The recommendation concerns, in particular, the facilitation conventions adopted in the framework of the United Nations, including the four (4) major ones, namely the Geneva International Convention on the Harmonization of Frontier Controls of Goods; the TIR Convention; the Revised Kyoto Convention and the Agreement on the International Carriage of Dangerous Goods by Road (ADR).

Thus, operations and formalities relating to transit and crossing of interstate borders could be managed in a concerted manner, with a common approach and joint actions, such as the adoption of a harmonized transit system based on the relevant international standards, particularly those of the TIR Convention.

UMA Member Countries could agree on the definition of a North African transit based on the TIR system. For efficiency purposes, operators in each country would have access to a regional guarantee chain, even if they are non-residents, and customs would exchange information to achieve real time transit flows. The mechanisms for mutual recognition of authorized traders remain an effective tool for cooperation between North African customs authorities, provided differences in logistics development between the countries in the region are taken into account.

Easing customs procedures will also depend on the efforts made by other stakeholders involved in international trade. The interviews conducted on the ground confirm that regardless of the progress that may be achieved by customs authorities, the overall time required for foreign trade operations would be difficult to reduce if other stakeholders do not exert the efforts needed to improve non-customs controls and promote joint controls for the swift processing of applications. In every part of the world, the lack of coordination hampers the positive impact of the reforms implemented by Customs, insofar as other control agencies have been slow to modernize. Promoting single windows and institutionalizing joint controls remain essential levers to improve performance for the clearance of goods through the integration of other control services (veterinary, sanitary, phytosanitary, food products) in the customs process.

The recommendations related to the above issues include the following measures and actions:

Type of action (Regional, bilateral or national)	Description and purpose of the action/measure	Feasibility CT / MT and LT	Lead administrations or institutions	Technical and financial partner institutions
Regional actions				
Join the main international conventions governing transport and facilitation of international trade	North African countries should seek to be further aligned with international standards and have a common legal frame of reference based on the four main international conventions on trade and transport (TIR, KRC, Geneva Convention and ADR).	Short and medium term	Ministries of Commerce / Ministries of Transport / Ministries of Foreign Affairs	WTO / WCO / UN/CEFACT
Set up or generalize the single window system	Reduce the time required to perform foreign trade formalities	Short and medium term	Customs and non-customs control agencies	WTO / WCO / UNCTAD / WB
Develop or generalize advance rulings procedures and pre-arrival documentation processing	Promote rapid release of goods, raise economic operators' visibility and confidence	Short and medium term	Customs agencies	WCO / WTO
Set up or expand risk management system, using harmonized selection criteria	Streamline customs controls and reduce clearance time	Short and medium term	Customs agencies	WCO / WTO
Develop and expand the Authorized Economic Operators scheme	Expedite clearance procedures and formalities	Short and medium term	Customs agencies / Chambers of Commerce / Employers' associations	UNCTAD / ICC / WCO
Reduce the number of documents required in connection with import, export and transit formalities	Rationalize costs of international trade	Short and medium term	International trade, customs and non-customs controls	UNCTAD/ WCO / WTO

Type of action (Regional, bilateral or national)	Description and purpose of the action/measure	Feasibility CT / MT and LT	Lead administrations or institutions	Technical and financial partner institutions
Promote and expand in all countries the setting up of integrated border offices and the performance of joint checks	Group all border control services in the same location (customs, security, sanitary and phytosanitary control agencies)	Short and medium term	All customs and non-customs control agencies,	
Develop an electronic chip passport issuance system or long-term visas for crews involved in interstate goods and passenger transportation	Interstate road transport professionals have to cross borders almost on a daily basis. Where visas are still required, measures should be taken to avoid using up all passport blank pages as well as frequent passport renewals.	Short term	Ministries of Interior/ Ministries of Transport	
Bilateral actions				
Morocco - Mauritania:				
Improve government service delivery by further simplifying sanitary and phytosanitary inspection formalities	Facilitate the transport of goods as well as cross-border trade between the two countries	Short term	Ministries of Commerce, Technical ministries (agriculture, industry, etc.)	
National actions				
Tunisia				
Join the Revised Kyoto Convention to shore up efforts to modernize the national customs system regarding standardization of customs declarations and supporting documents	Promote greater transparency, better predictability of customs controls and reduction of the number of formalities	Short and medium term	Ministry of Finance/ Ministry of Foreign Affairs	WCO/ UN/ CEFACT
Ensure greater domestic coordination between the various stakeholders concerned	CEPEX, UTICA, Chambers of Commerce, etc. should coordinate more effectively to ensure better distribution of roles and promote clearer vision	Medium term	Chamber of commerce, Transport Federation	EU/EIB

Type of action (Regional, bilateral or national)	Description and purpose of the action/measure	Feasibility CT / MT and LT	Lead administrations or institutions	Technical and financial partner institutions
Morocco **Join** the Convention on Harmonization of Frontier Control of Goods (Geneva Convention)	Further streamline controls of international movement of goods, including the promotion of MRAs	Short and medium term	Ministry of Finance/ Ministry of Foreign Affairs	WCO/ WTO/ UNCTAD
Mauritania/Egypt/ Libya/Sudan **Join** the TIR, RKC, ADR and Geneva Conventions	Embrace international standards on facilitation of interstate trade and transit	Short and medium term	Ministries of Finance/ Ministries of Transport/ Ministries of Foreign Affairs	IRU/ WCO/ WTO/ UN/ CEFACT

3) Strengthening national capacities of North African countries in the area of trade

The measures taken by the countries concerned to facilitate trade need to be consolidated to achieve better sharing of experiences as well as better cooperation between operators within and between countries in the sub-region. The processing of documents is still performed manually in most cases and in a compartmentalized environment, without information sharing between operators. This leads to multiple data input operations and significant loss of synergy. Additional efforts are needed to achieve paperless documentation processing and streamline document circulation between all actors.

Countries in the region should subscribe to a process of systematization of stakeholder information, including information on changes to regulations or procedures, applicable tariffs, specific requirements for certain goods and real-time traffic situations at the border. This goal could be achieved through the establishment of a national portal in each country for effective dissemination of trade information for the benefit of economic operators (importers, exporters, shippers, freight forwarders ... etc.) so that they may be informed from official sites on the rules, procedures, implementation timetable of the reform agenda, or any other regulatory or tax-related information. Improving the regulatory and administrative environment hinges on greater transparency and on provision of information to foreign trade operators, as stipulated in the Bali Agreement.

Another element that can help improve customs procedures is the extensive use of new information technology. Maghreb countries, especially Tunisia and Morocco, have gained recognized experience in this field. It would be worthwhile to create a forum or working group to share experiences and identify common areas for harmonization and simplification of customs procedures. The work already started by these two countries in this area can serve as a working basis. The introduction of electronic systems for the exchange of information can be very useful, not only between agencies in the same country, but also at the regional or local level (for two or more countries). These tools would make it possible to store, transfer, process and exchange large flows of customs-related information. Once they are set up, these systems would significantly help save time and costs, despite the virtual risk of duplication and delays, should the information be requested in paper form once it has being electronically stored. An example of these electronic systems is the electronic window, which makes it possible to input basic information only once, and to provide the required documents before the relevant information is shared by all the parties involved in import, export or transit processes.

Apart from some pilot experiences ("TTN" in Tunisia and "BADR System" in Morocco) which were deemed satisfactory by both public and private operators, no integrated, comprehensive IT solution has been tested so far to introduce the paperless processing of documents relating to export and import operations. The aim should be to generalize existing best practices, such as selectivity of controls, automatic processing and clearance within the territory so as to minimize costs for operators.

In the same vein, the widespread use of EDI in foreign trade is imperative to support operators throughout the intra-regional logistics chain.

It is recommended to set up in each North African country an electronic or physical single window - depending on the level of development - that would interconnect all stakeholders involved in foreign trade operations, based on common standards that allow for declarations traceability and monitoring of the processing time required for each stakeholder. Eventually, all single window systems in North Africa would have to be interconnected. To this end, the countries that have not yet started working on the single window can use the guide for the implementation of one-stop shops in Africa[95] developed by the African Alliance for Electronic Commerce (AACE) with the support of the Economic Commission for Africa (ECA).

The following measures and actions are recommended under this component:

Type of action (Regional, bilateral or national)	Description and purpose of the action/measure	Feasibility CT / MT and LT	Lead administrations or institutions	Technical and financial partner institutions
Regional actions:				
Publish laws and regulations relating to foreign trade on a national portal for wide dissemination of information useful to operators	Inform all actors in real time, and through official websites, of procedures, formalities, duties and taxes	Short term	Ministries of Commerce/ Customs agencies	ICC/ UNCTAD/ WTO/ WCO
Develop electronic windows accessible to all players and stakeholders involved in the chain of international trade	Gradually move towards achieving paperless processing of foreign trade procedures	Medium term	Ministries of Finance/ Ministries of Commerce	UNCTAD/ ITC/ WCO
Extend the use of EDI and ICT to foreign trade operations, drawing on Morocco's PortNet experience	Optimize transaction processing capabilities throughout the formalities and logistics chain	Short and medium term	Ministries of Commerce / Finance / Transport	EU / WB/ AACE

95 The author of this study contributed to the development of the guide, which is available on the AACE website: http://www.swguide.org/guichet_unique/topten.php

Type of action (Regional, bilateral or national)	Description and purpose of the action/measure	Feasibility CT / MT and LT	Lead administrations or institutions	Technical and financial partner institutions
Strengthen the capacities of government agencies in charge of trade facilitation in the ICT sector	This is a necessary measure due to the period of instability experienced by several North African countries	Short term	Ministries of Commerce	WTO
Improve the quality of services rendered by interstate road transport operators, including staff training (drivers) and enhanced capacity to provide services (vehicles in good condition and well-suited to the requirements of international transportation)	Address the issue of the predominance of small operators with fleets that are too small or in poor condition, a,d staff who are poorly trained for international trade	Short and medium term	Transport Ministries and Federations / Chambers of Commerce	IRU/ WCO
Encourage and persuade service providers (banks, insurance, catering, hotels, telecommunications... etc.) to set up business branches at border crossings	Offer the actors concerned all necessary facilities and contribute to the development of border regions	Short and medium term	Employers' associations: Chambers of Commerce/ Ministries / Agencies in charge of spatial planning	Public and private banks
Promote and organize fairs and exhibition centers at border crossings	Promote the products/services of both countries and boost trade	Short and medium term	Ministries of Commerce / Mixed Chambers of Commerce	WTO
Encourage the establishment of jointly owned companies for the transport of goods or passengers (Tunisian-Libyan, Tunisian-Algerian, Moroccan-Mauritanian)	Strengthen the capacities of carriers, exporters and importers, while controlling costs	Short and medium term	National employers' associations, Transport Federations, Ministries of Transport	BERD, ECA
National actions				
Tunisia & ***Morocco:***				
Increase prospecting missions (or specific events) to promote business opportunities with Algerian partners.	These events should take into account the specificities of each region (Tunisia and Morocco)	Short term	Ministry of Commerce / CEPEX /CMPE Chambers of Commerce	

Type of action (Regional, bilateral or national)	Description and purpose of the action/measure	Feasibility CT / MT and LT	Lead administrations or institutions	Technical and financial partner institutions
Tunisia				
Join the Revised Kyoto Convention	Build on achievements and raise visibility of operators through harmonization and simplification of customs procedures	Medium term	WTO/ WCO	
Morocco				
Join the Convention on the Harmonization of Frontier Controls of Goods (Genva Convention)	Promote a consistent framework and coordinated means to facilitate border crossings	Medium term	WTO/ WCO	
Mauritania/Egypt/Libya/Sudan				
Seek technical and financial assistance from the international organizations which developed conventions on trade facilitation in order to optimize their implementation on the ground	Strengthen the capacities and performance levels of government agencies with respect to trade facilitation, transport and international transit of goods	Short and medium term	Ministries of Commerce / Ministries of Finance/ Ministries of Transport	WTO / WCO / UN/CEFACT

4) Ensuring the consolidation and sustainability of interstate cooperation through central government agencies and border services

One of the main levers for trade development is the management of the rules of origin agreed through the free trade agreements signed, including with the European Union and in the framework of intra-North African initiatives.

Simplified, harmonized and transparent rules of origin managed by institutions dedicated to the development of intra-regional trade can be a promising project, both for optimal use of the diagonal cumulation agreed with the European Union and the promotion of trade between North-African countries. Enhanced cooperation in this area can be ensured through a regional project to simplify and reduce tariffs, while taking into account the constraints of some countries which depend on tariff revenue to balance their national budgets.

Launching such a process may provide an opportunity to initiate sectoral cooperation policies that are conducive to the integration of North African economies, provided there is sound management of tariffs and tariff protection. In such a cooperative framework involving national government agencies, tariff harmonization between the countries concerned may be envisaged in the medium term. At an initial stage, cooperation may be in the form of a unified tariff structure (number and types of duties and taxes) before moving towards common external tariffs.

Cooperation between national government agencies should also include, in the short-term, coordination of work methods at borders, through arrangements with respect to (i) business days and hours, (ii) standards and certifications, and (iii) opportunities to transfer control operations as much as possible to points of departure and final destination as far as international transport is concerned.

Such measures would help eliminate many checks through bilateral border cooperation agreements or regional or international conventions, such as the TIR Convention. The existence of working relations between various customs authorities in the same region would help address this aspect effectively, just like the exchange of information and training experiences.

Practical cooperation between North African countries, particularly through their agencies at border crossings, should be strengthened with respect to the sharing of information that could be useful to other government institutions or agencies. The isolation of the various agencies and the lack of coordination of their activities are real obstacles to more effective services due to duplication of inspections and bottlenecks at border crossings.

In the same vein, the design, development and operationalization of joint or juxtaposed border posts would constitute an optimal example of cross-border cooperation between neighboring countries. The near completion of the Maghreb highway means that the transit system, the location of border crossings and border controls would be a key priority. Highway connections will mean that Algiers will physically be one day away from Tunis or Casablanca. It is of vital importance for regional integration that the historical benefit of this new infrastructure is not compromised by complex procedures that are motivated only by control requirements.

The joint management of a border crossing requires close cooperation in running that border crossing, harmonization of required documents, the pooling and servicing of logistics infrastructure and equipment, the organization of joint or mutually recognized controls and the exchange of information. Related agreements may provide for the mutual deployment of border officers on both territories. Such a level of cooperation will require significant investment in infrastructure (new buildings, access roads, information and communications infrastructure (ICT)), the conclusion of specific agreements on information sharing, the installation of new scanners and common weighbridges, etc.

The countries party to the Trans-Maghreb Highway project should soon begin consultations between national authorities on the definition of border controls to avoid duplication of controls and inadequate and probably expensive design of border crossings. The European juxtaposed border crossings should serve as a model, the more so as they help avoid buffer zones that are conducive to smuggling. It is essential to avoid excessively large distances between border crossings, both to facilitate communication between customs and police officers of the two countries concerned, and to limit the need for controls in the space between the two crossings, which is unsurprisingly conducive to trafficking. In this respect, the experience at the Ras Jedir crossing between Tunisia and Libya is an achievement on which the region should capitalize, just like the projects managed by the World Bank in other parts of the world, particularly in Eastern Europe.

Pending more suitable conditions, other less integrated cross-border cooperation forms could have beneficial short term impacts on trade facilitation, and thus constitute a first step towards future juxtaposed checkpoints. Thus, it is possible to achieve harmonization of opening hours for customs clearance by using a simple consultation mechanism involving the officials in charge of border crossings and the stakeholders from the two neighboring countries concerned. Countries may also agree on certain mutually recognized controls, such as the weighing of vehicles and cross border permits. In accordance with the WCO Johannesburg Convention, North African countries may also engage in mutual administrative assistance and share customs information on infringements. However, the regular exchange of customs data would require the adoption of legislation on the collection and transmission of information, in accordance with existing laws on data protection and confidentiality, as well as a bilateral or sub-regional agreement specifying the conditions and use of such information. Two instruments were developed by the WCO for this purpose: the model bilateral agreement on mutual administrative assistance, and guidelines for development of national laws for the collection and transmission of customs information.

- Protocols for the electronic exchange of data between customs authorities in North African countries can be developed in light of the regulatory frameworks defined by the WCO. The current discussions between customs authorities in the central Maghreb countries (Tunisia, Algeria and Morocco) in the framework of the quadripartite initiative that also involves the French customs provides a good foundation for the achievement of this objective and deserves to be extended to the customs authorities of the other countries in the sub-region at a later stage. This France-Maghreb initiative also covers cooperation in the training of customs staff and managers of joint programs. It should promote mutual capacity building for customs authorities in the Maghreb countries by capitalizing on a sub-regional level on the experience of training centers, including that of the Moroccan Customs - which is recognized by the WCO - which can ensure training at other locations and accommodate more customs officers from neighboring countries.

Under this fourth axis, the study recommends the following measures and actions:

Type of action: (Regional, bilateral or national)	Description and purpose of the action/measure	Feasibility CT / MT and LT	Lead administrations or institutions	Technical and financial partner institutions
Regional actions:				
Promote and generalize the mutual recognition agreements (MRAs) on control documents (ARM) or certification, based on the Tunisian-Libyan experience	Reduce the number of and time required for administrative formalities at border crossings	Short and medium term	Ministries and agencies in charge of customs and non-customs controls / Ministries of Foreign Affairs	WCO/ WTO/ ECA
Increase and generalize agreements for the establishment of joint or juxtaposed border crossings, similar to the Tunisian-Libyan Ras-Jedir crossing	Remove buffer zones between borders; Reduce offloading and indirect costs of intra-regional trade	Short and medium term	Agencies in charge of customs and non-customs controls / Ministries of Foreign Affairs	WCO / AfDB/ WB/ IDB
Conclude agreements establishing business days and hours at border crossings	Coordinate the response of the authorities of both countries; Make border crossing more seamless and reduce wait times	Short and medium term	Ministries of Foreign Affairs: Agencies in charge of customs and non-customs controls	

Type of action: (Regional, bilateral or national)	Description and purpose of the action/measure	Feasibility CT / MT and LT	Lead administrations or institutions	Technical and financial partner institutions
Start a program for the harmonization of tariffs and Customs Codes among North African countries	This harmonization would first target the achievement of a uniform structure of national tariffs before developing a common tariff	Short and medium term	Ministries of Finance	UMA/ ECA/ WTO / WCO
Speed up the establishment and operationalization of the Maghreb Bank for Investment and Foreign Trade	Promote exports and facilitate international payments related to interstate trade	Short and medium term	Ministries of Finance	UMA / AfDB
Set up an Agency for the promotion of intra-Maghreb investments and exports, which will work in concert with existing national agencies	This agency would be responsible for: - conducting prospective studies of North African export markets; - informing economic operators on investment and export opportunities in the region; - identifying barriers to investment and exports in the region; - developing and disseminating specific guides for exporters in North Africa, etc.	Short and medium term	Ministries of Commerce / Ministries of Economy and Finance / Ministries of International Cooperation	ICC/ AfDB

Conclusion

This study addresses the theme "International transport and trade facilitation in North Africa." Its purpose is to help speed up the process towards regional integration under the "*development of intra-regional trade*". A more specific objective is to promote increased trade by substantially reducing not only barriers to international transport of goods, but also procedures governing commercial transactions between the countries in the region.

The statistics show that the weight of cross-border trade in total trade volumes between North African countries remains low, especially when compared with trade with Euro zone countries. Most exports and imports are with the European Union, and the UMA agreement and other regional agreements are yet to strengthen economic ties between those countries.

The target missions carried out in the framework of this study[96] involved a number of operators and revealed that several legal and regulatory obstacles and other hurdles relating to trade and transport infrastructure and logistics continue to hinder trade in goods between North African countries, despite the creation of the UMA since 1989.

Admittedly, the countries in the sub-region have made significant efforts in the area of trade facilitation and improvement of transport-related basic infrastructure. However, these efforts have not yet had a significant impact on intra-North African trade. This is due to the fact that not enough attention has been paid to interstate cooperation on trade facilitation and to deepening the integration process. North Africa has achieved a significant level of transport infrastructure, especially roads and ports. For example, 99% (13,195 km) of the Cairo-Dakar Trans-African Highway is paved, and road links between Morocco, Algeria and Tunisia are almost fully in line with highway standards. Nevertheless, many obstacles still impede a positive impact on the flow of intra-regional trade.

Based on the analysis undertaken as part of this study and the missions conducted to gather information from actors on the ground, one can argue that trade and transport facilitation issues have, for the most part, remained confined to national territories or to relations with the EU. They have not been sufficiently identified as a top priority within a regional integration strategy, often for political and security considerations. Hence the assessment made in this study, which points out the factors that contribute to restricting trade between North African countries through barriers to the normal flow of border traffic, making transport and cooperation increasingly complex. The study proposes a series of measures and actions designed to facilitate the international transport of goods, boost intra-regional trade and reinforce the integration process between North African countries.

To this end, an outline action plan involving the short, medium and long term perspectives is proposed, together with a set of recommendations designed to remedy the identified deficiencies. These measures are classified according to their scope - regional, bilateral or national - and the lead government agencies or institutions concerned by implementation are also listed.

The measures and actions recommended are divided into four groups, depending on whether they concern infrastructure and logistics related to transit and trade, regulatory and administrative issues on trade and transportation, state national capacities in the area of trade and strengthening cooperation between national administrations.

The most important facilitation measures that need to be taken should more effectively be part of a regional perspective and promote integration among these countries, based on actual implementation of the agreements already signed or those that are in the pipeline (UMA, CFTA). Today, bilateral and intra-regional trade should be given special attention, just like the attention that has been given to trade with the European Union.

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96 As pointed out earlier in this study, because of the political and security context in the region, the target missions could not be carried out directly in all North African countries.

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