## Addressing Soft Infrastructure

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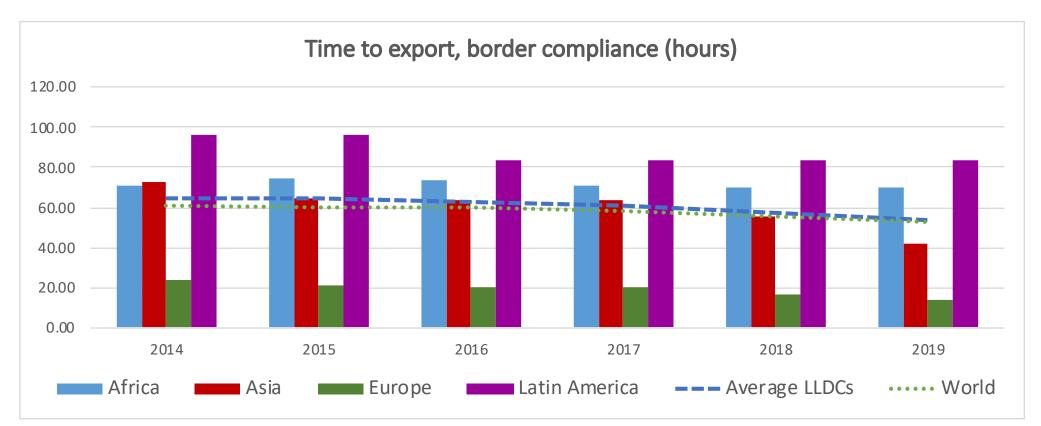
UN-OHRLLS Training on Strengthening Capacity to Design and Implement Policies and Identify Solutions that Promote Transport Connectivity for the Achievement of the SDGs

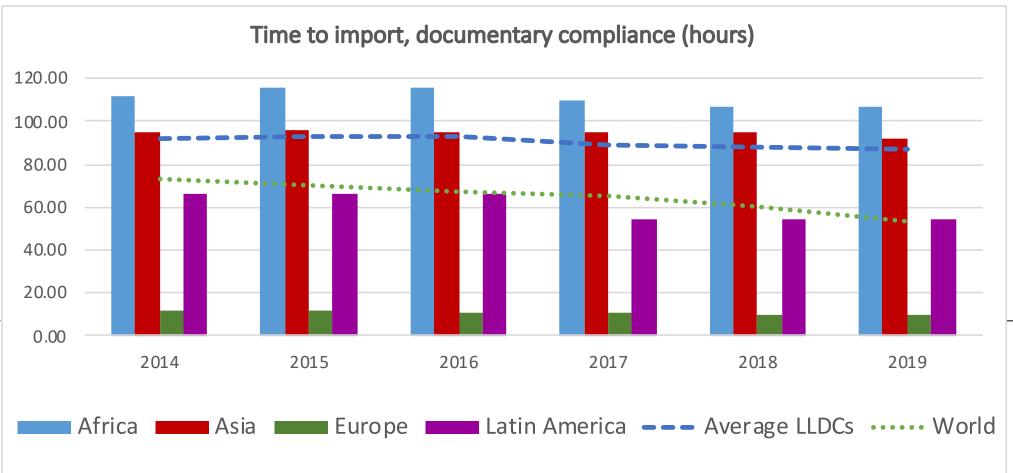
September 27-28, 2021

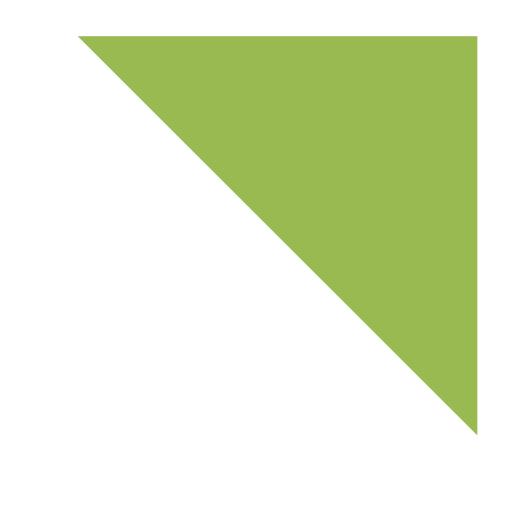
# The importance of improving soft infrastructure for transport connectivity

- Improving soft infrastructure is not less significant than that of physical transport infrastructure
- Soft infrastructure deals with policy and regulatory reforms to facilitate faster movement along transport corridors and at border crossings, and serves as determining factors in attracting foreign investments
- Effective and efficient transport corridors successfully link hard infrastructure and soft infrastructure
- Moving products across borders is one of the most complicated elements in international trade and transport transactions → non-physical barriers, delays and inefficiencies associated with customs procedures and document requirements → high transport costs
- Trade facilitation could even be more important than infrastructure when planning transport corridors

### **Border Crossing Efficiency**



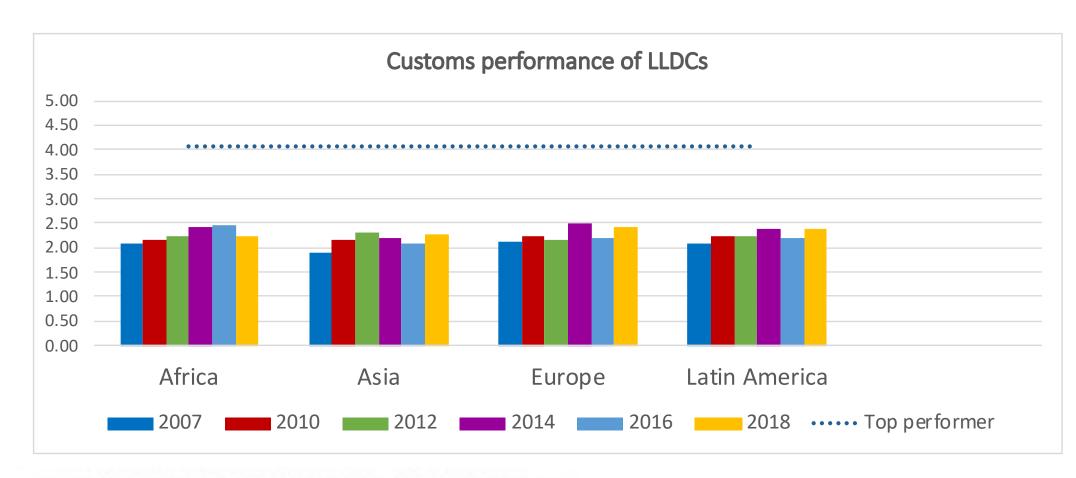




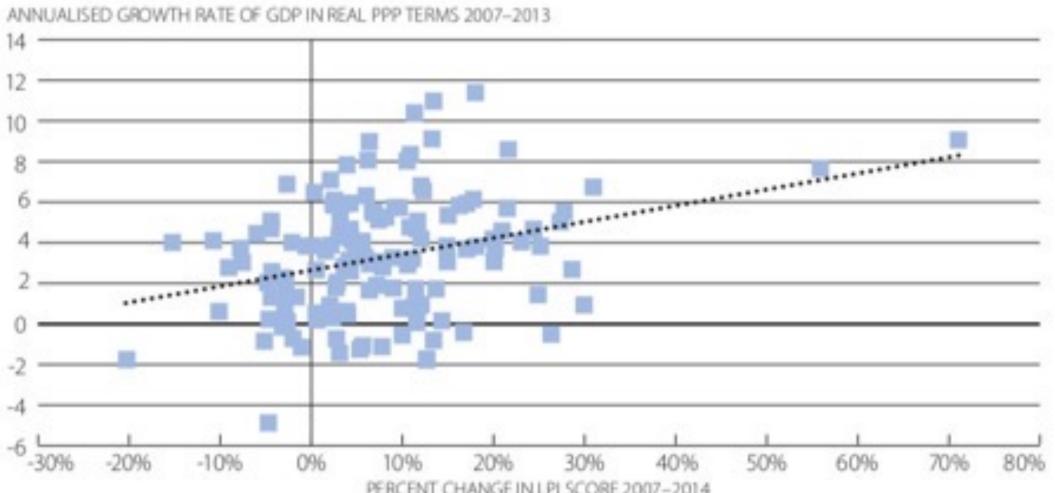
Source: World Bank Open Data

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#### LPI and GDP Growth Rate



Source: World Bank

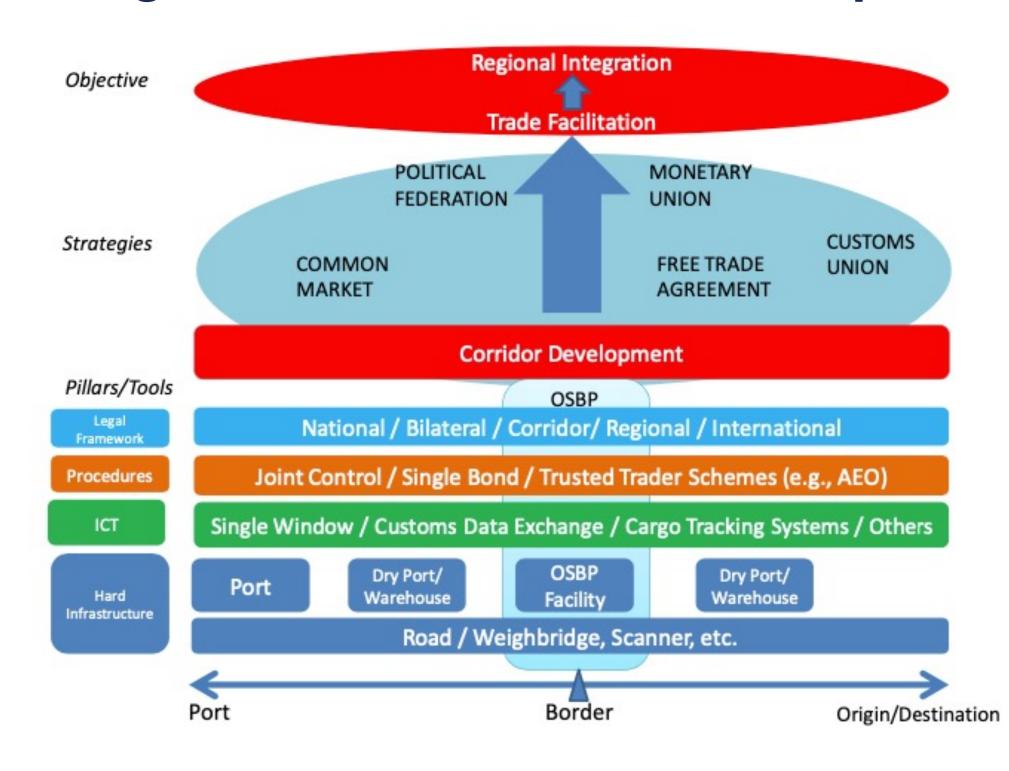


Source: WTO

### **Coordinated Border Management**

- A coordinated approach by border control agencies, both domestic and international, in the context of seeking greater efficiencies over managing trade and travel flows, while maintaining a balance with compliance requirements (WCO)
- Mainly implemented in the form of One Stop Border Post (OSBP) or Joint-Border Post (JBP)
- OSBP aims to reduce transit time caused by long procedures involved in passing through two set of identical controls on each side of the border
- OSBP combines the activities of both countries' border organizations and agencies at either a single common location or at a single location in each direction → promoting the optimal utilization of available resources

# OSBP — A Tool of Trade Facilitation, Regional Integration and Economic Development



- Integrating into regional economy is important for LLDCs to promote partnership with transit countries
- Each of African LLDCs participates in at least one of regional trade agreements, e.g. SADC, ECOWAS, EAC, COMESA, MERCOSUR, EFTA-SACU...
- Supporting regional initiatives allows LLDCs to take benefits of investments, R&D, and sharing of experiences.

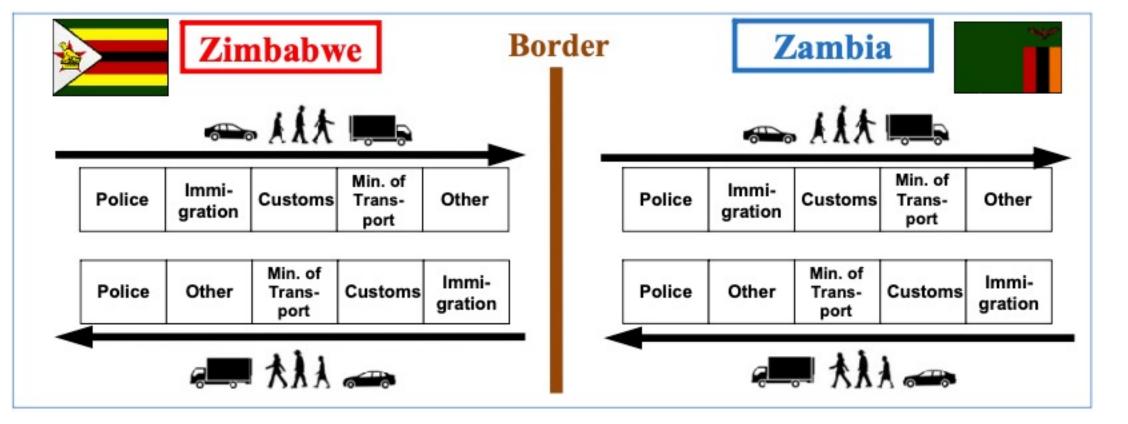
Source: One-Stop Border Post Sourcebook (JICA et al)

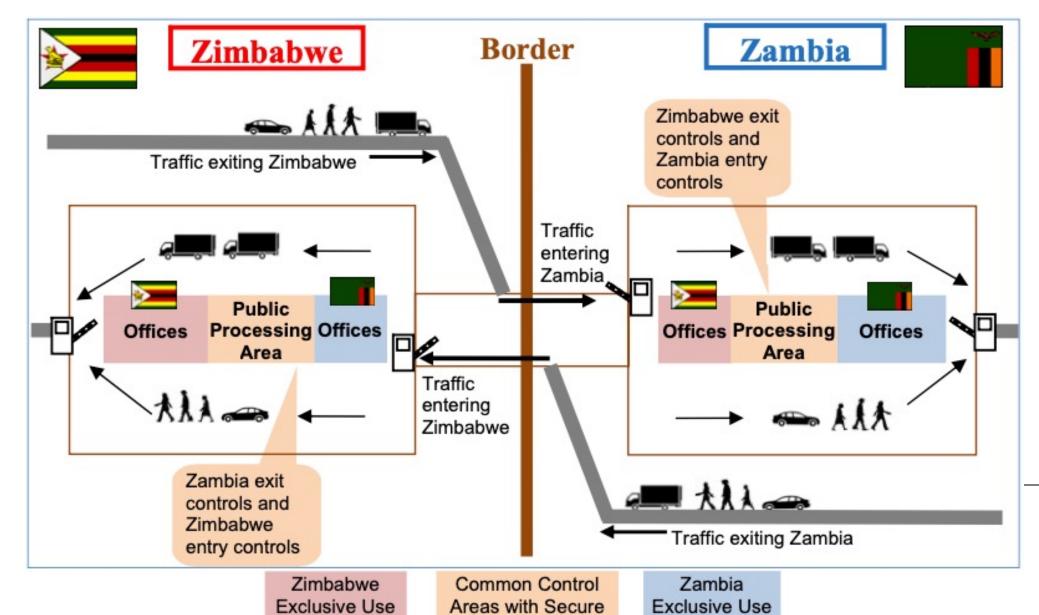
#### **OSBP Chirundu**



Source: UNCTAD

- OSBP between Zambia and Zimbabwe at the Zambezi River
- It also links Zimbabwe to its COMESA trading partners (DRC, Malawi, Kenya)
- First OSBP introduced in Africa in 2009, as part of the transit transport facilitation programme on the North-South Corridor
- Rationales: border delays, high border administration costs, both countries suffered from border barriers imposed by the surrounding countries
- One of the busiest border crossings in Southern Africa
- Successfully reduced border delays from 2-9 days to several hours
- Crucial in spearheading the regional agenda of trade facilitation





Areas with Secure

Perimeter

Areas

**Exclusive Use** 

Areas

Border crossing procedures before and after the operationalization of Chirundu OSBP

Source: One-Stop Border Post Sourcebook (JICA et al)

#### **Lessons Learned OSBP Chirundu**

- Chirundu OSBP was established to improve trade facilitation between the two countries through reduction of border impediments
- High-level political commitment: **Bilateral Agreement** between both governments concerning the Establishment and Implementation of an OSBP at Chirundu
- Established legal framework in both countries: Zimbabwe OSBP Control Act 21/2007 and Zambia OSBP Control Act 8/2009 → authorized border control officers to carry out their national controls in a common control zone (CCZ)
- Modifications to physical infrastructure were required as border crossing facilities in each country were designed for traditional two-stop operations
- Need for a robust ICT system between the two countries in order for both sides to be connected to the customs automation system (e.g. ASYCUDA)

Thank you for listening ...