Prepared by the World Bank Technical Team, June 26, 2005

Schematic for Cross-Border Terminal Operations

A. Introduction

1. This note should be read alongside *"An Assessment of Progress in Improving Passages and Trade Facilitation"* (World Bank Technical Team, June 19, 2005). It is intended to help the parties design border terminals together, and is based on the consultant's experience with such matters in over 20 countries world-wide---as well as on an appreciation that there are special requirements and sensibilities on the Israeli/Palestinian border. At the outset it is important to point out that the challenge of assuring a managed, predictable flow of commercial goods in a context in which security must also be assured is common to very many border operations in the post-9/11 environment.

2. Cargoes need to be differentiated according to their handling requirements and security risks. It is assumed that this will require

- *either* separate facilities located at different crossing points (redundancy),
- *or* facilities that are physically separated but using a common crossing point

3. The proposals below are intended to apply to a crossing between Gaza and Israel under current conditions. Once a more normalized trade environment is established, the amount of scanning and inspection can and should be reduced. The inspection regime and the use of scanners described below is based on an agreed, transparent management system. Under such a system, processes need to be made clear to shippers and transporters, not altered unilaterally or at random. The use of enhanced technology and sound terminal design will not result in competitive trade for Palestinian products unless there is a radical change in today's management ethos. The consultants' proposals are made with this objective in mind. They also are made in a manner which gives high priority to Israel's security concerns. As pointed out in paragraphs 10 and 18 of *"An Assessment of Progress in Improving Passages and Trade Facilitation"*, adoption of layered inspection techniques should lead to a considerable enhancement in Israeli security.

4. Any facility should use an open layout concept so that activities within the terminal can be easily observed. It should have a secure perimeter with controlled access and egress. The facility would allow for the possibility of a two-stage inspection---the first relying on scanning technology, the second on physical inspection in those cases where this second level of inspection is necessary. The facilities should be based on a tractor exchange rather than the transfer of cargo between vehicles (back to back), except as explained below.

B. Terminal for Container Traffic

5. Separate procedures would be developed for inbound and outbound containers and for marine containers and domestic containers.

6. Inbound containers would be divided between

- imports coming from Ashdod or Haifa that have already been screened, and
- domestic containers shipped from the West Bank or Israel.

7. Outbound containers should be divided between

- export containers bound for third countries going directly to the port in Israel, and
- domestic containers with cargoes for Israel and the West Bank.

8. This facility would be designed with a series of parallel booths for receiving trucks with containers, checking their documents and directing the trucks on to any follow-up inspection procedures. There would be no barrier wall. The facility could be located entirely in Israel---but the terminal would need a secure perimeter. There would be an access road from Gaza and an automatic barrier to allow trucks to cross the border into the terminal. This gate would be manned by Palestinian border security. The inspection facility on the Palestinian side has not been included in Figure 1; what is needed there could be relatively simple.

9. Trucks arriving at the terminal would have notified terminal management of their expected arrival time, their load, license plate, and driver's name. The containers on the trailers should move across the border and be processed, following which there would be an exchange of tractors.

10. Inbound containers already cleared at Ashdod/Haifa (marine containers) or at a West Bank crossing point (domestic containers) would be cleared *without* any further checking, provided that their seal was intact.[1] The container and trailer would move directly across the terminal and an Israeli/Palestinian tractor exchange would take place before leaving the terminal. Inbound containers that have not been sealed or for which the seals are not intact would be scanned. This would involve the Palestinian/Israeli tractor hauling the container and trailer to the scanning unit, and an Israeli/Palestinian tractor picking up the unit once it had been scanned.[2] If the scan reveals any anomalies, then the container would receive a physical inspection at the adjoining docking facility. The movement of the container from the scanning unit to the inspection dock would be done by a special-purpose trailer.

11. Outbound containers for Ashdod/Haifa (marine containers) would be scanned at the terminal, then sealed and transported by Israeli tractor to the port for loading, without further inspection. If the scanning reveals any anomalies, a procedure similar to that for inbound containers would be followed. Outbound containers for Israel/West Bank (domestic containers) would also be scanned, sealed and delivered to its destination by an Israeli tractor without further inspection---other than a check of the seal at the border to the West Bank. Alternatively, once the safe passage is arranged, trucks and containers would move straight through the border and on the road for the West Bank.

[1] This could be a smart seal inside the container, with communication/tracking provided through a WiFi connection.
[2] Alternatively, the tractor could also remove the container and trailer from the scanning unit to another area where the tractor exchange would take place

12. It is assumed that GOI would insist on scanning all loaded outbound containers. Empty containers could be physically inspected using laser instruments to confirm the internal dimensions. The 100% rate of inspection should, however, be reduced once an authorized trader/secure supply chain arrangement has been introduced for containers destined for Israel or export so that inspection can be targeted according to perceived risk.

C. Terminal for Agricultural Exports

13. A special facility and expedited procedure would be developed for perishable agricultural exports (fresh vegetables, fruits and flowers). These could be transported to the terminal either in special containers (reefers, cold boxes, etc.) or on pallets in insulated vans. Their arrival would be scheduled to ensure minimum delays at the crossing. Separate channels would be developed for containerized and palletized cargoes. The terminal would have multiple booths for checking the cargo documents and directing them to the appropriate inspection point. The containers would be scanned with a procedure similar to that described above for export marine containers. The palletized cargo would be unloaded at a docking facility and placed on a conveyor that would transport the pallets through the scanner to the truck waiting on the other side. The length of the conveyor should suffice to provide separation for security reasons---but there would be no barrier wall. Nor would the pallets be placed on the ground.

14. Access to the terminal would be controlled by an automatic barrier. Cold storage would not be provided at the facility since this is a crossing point and no extended waiting time should be factored into the process here. Truckers would notify the terminal of their intention to cross and would receive a scheduled time for crossing. If there are delays at the terminal, the transporter would be notified at least an hour prior to their scheduled arrival. If delays occurred after they had entered the terminal, they would be allowed to return to Gaza to place their goods in appropriate cold storage.[3]

D. Terminal for Non-Perishable Loose Cargoes

15. The handling of non-containerized loose cargo represents the greatest challenge---it is the most labor-intensive and involves the greatest diversity of cargo. The terminal would have parallel booths for processing documents. Trucks would be directed either to the full truck scanner facility or to the pallet scanner facility. If the cargo is carried in an articulated truck then the trailer with cargo would be scanned, followed by a tractor exchange.

16. If the cargo is transported in small vans or fixed-body trucks, it will be necessary to inspect the cargo out of the truck. This would be the only situation which would require a back-to-back transfer. In order to minimize the handling costs and time required for this, the cargo should be palletized, with the size of the pallets determined by the capacity of the scanners.[4] The

[3] Cold storage requires reasonable levels of utilization. If the storage is located in the terminal, there would be an incentive to encourage its us. It would be preferable if cold storage were provided by the private sector outside the terminal.

[4] This is different from the current practice, whereby the permitted height of the pallets varies daily according to the whims of inspectors or dictates of security personnel.

goods would be unloaded from the trucks at a dock equipped with pallet conveyors to move the cargo directly to the pallet scanner, and from there on to the receiving truck located on the other side of the loading dock.

17. This facility would differ from Karni in that there would be no barrier wall and nothing would be placed on the ground. The facility could be located entirely within Israel, with access from Gaza controlled by an automatic gate manned by Palestinian border security. It would also differ from Karni in that no cargo would be grounded and all internal movements would be on trailers or via conveyor. It would have a flow pattern similar to that shown in Figure 1, but with a second set of inspection lanes for the cross dock/pallet scanning operation. Pre-notification of arrival would be required. For outbound movements, this could be done from the Palestinian side of the border assuming that a pre-screening checking facility has been established by Palestinian border security.

E. Terminal for Steel Products and other Bundled Construction Material

18. This cargo is transported in bundles on flatbed trucks into Gaza. Since these are articulated vehicles, tractor exchange would take place at the border. The cargo would be visually inspected. On the rare occasion that a concern arises as to what is included in the load, it may be necessary to remove part of a load for inspection. This could be done in an open area with a crane, allowing for the cargo to be placed on the ground. Since this is a relatively simple operation, the security issues are minimal. This activity can be included near other cargo handling activities since there is little risk of contamination.

F. Terminal for Liquid and Dry Bulk (Fuels, Molasses, Cement, Grains, Aggregates)

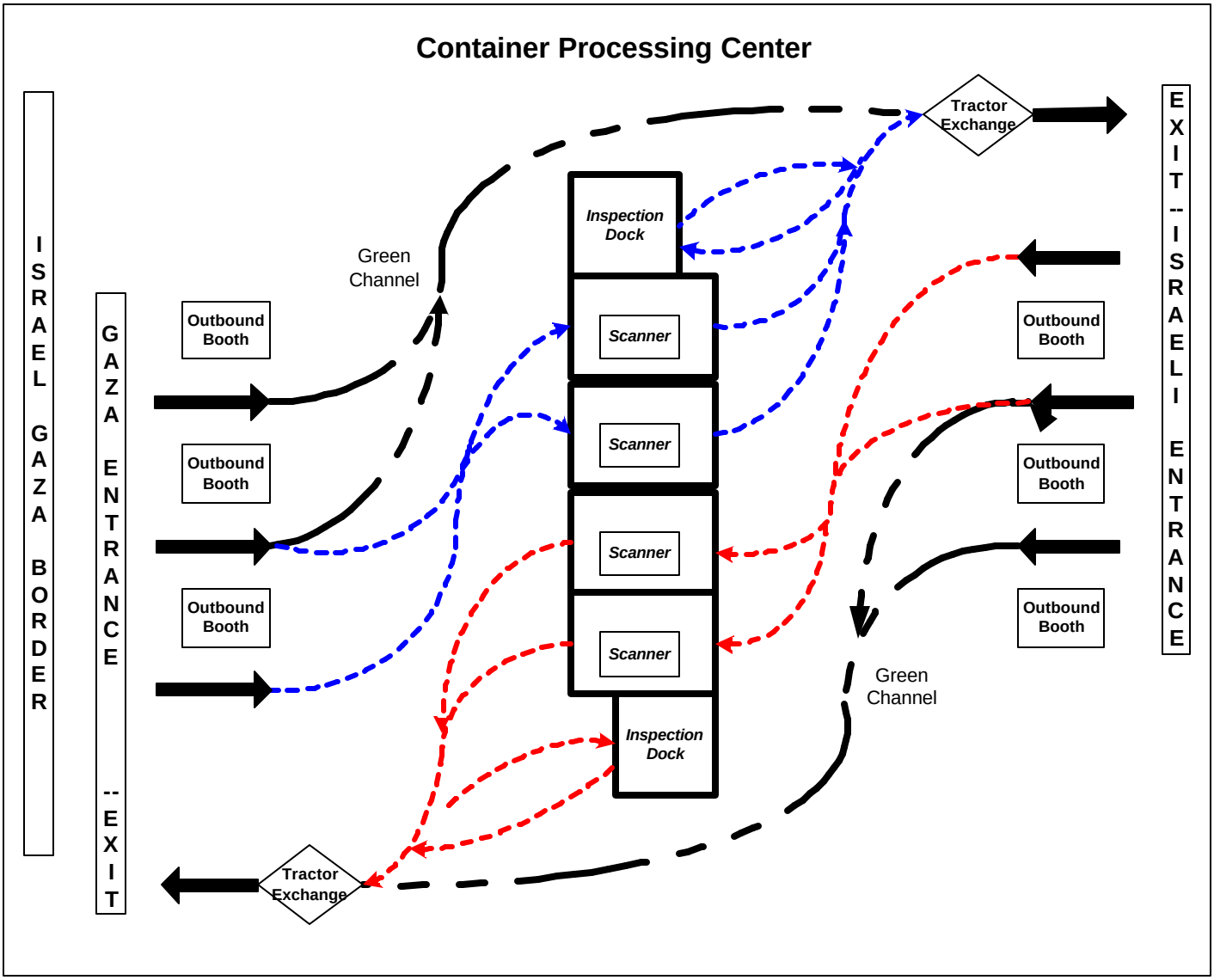
19. Both liquid and dry bulk cargoes are also transported in articulated trucks with tankers or grain trailers. It is therefore possible to perform a tractor exchange at the border. This would involve inspecting the tankers and trailers using truck scanners in a manner similar to the inspection of containers and switching just the tractors and drivers.

20. Alternatively, it is possible to move bulk cargo across the border by pumping liquids and conveying dry cargo as currently done at Karni. Separation of cargoes is required to prevent airborne contamination. The security concerns at such facilities are much reduced, since unloading and loading would be separated by pipelines and conveyors. With intermediate storage, the unloading activities can be done at a different time as the loading activities as is done with aggregates at S'ufa . For this reason, the facilities can be relatively small and can be located away from other cargo handling terminals. Unless there is a relatively high volume, however, the required investment in bulk handling equipment and intermediate storage----fuel tanks, grain silos, and aggregate piles---is hard to justify and a trailer/tanker exchange is by far the better option.

G. Terminal for Livestock

21. Under normal conditions, animals would remain in the trucks and be transferred according to a tractor exchange. In this environment, however, it may be necessary for the animals to walk across the border. This activity should be kept separate from the handling of other cargo, which might otherwise become contaminated. As this is a low volume, low security activity and inappropriate for scanning, a simple crossing with pens, dips and inspection facilities can be provided.

FIGURE 1


Container Processing Center
ISRAEL GAZA BORDER
GAZA ENTRANCE -- EXIT
EXIT -- ISRAELI ENTRANCE
Green Channel
Green Channel
Tractor Exchange
Tractor Exchange
Inspection Dock
Inspection Dock
Scanner
Scanner
Scanner
Scanner
Outbound Booth
Outbound Booth
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