

# **TRANSIT TRANSPORT CO-ORDINATION AUTHORITY OF THE NORTHERN CORRIDOR**

**TTCA-NC**



## **NORTHERN CORRIDOR STRATEGIC PLAN 2012-2016**

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## FOREWORD

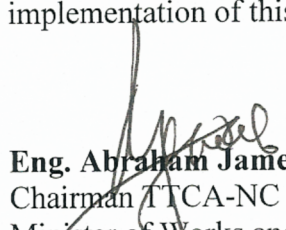
TTCA-NC made substantial progress toward the attainment of the objectives and outputs of the first Five-Year Strategic Plan, 2007-2011. Very important lessons were learnt during the implementation of that 1<sup>st</sup> Strategic Plan. Hence, the Second Five-Year Strategic Plan not only builds upon the achievements of first one, but also takes into account the lessons that have been drawn during the implementation of the previous strategic plan.

As reflected in the mission statement, the focus of the Second Strategic Plan is the reduction of the cost of doing business through the harmonization of transport policies and regulations, simplification of trade procedures and enhanced involvement of the private sector in the improvement of Northern Corridor transport infrastructure facilities and services. The actions to be undertaken will be aimed at contributing to the attainment of the TTCA-NC Vision of “Making the Northern Corridor the preferred corridor in the East and Central Africa region”, with the most efficient trade and transport logistics chain, with a view to contributing toward regional integration and socio-economic development of the region.

The successful implementation of this Strategic Plan will require increased and sustainable funding, as well as necessary human resources. As member States, we will do everything possible to provide the Secretariat with the necessary resources for the implementation of this Strategic Plan. We equally pledge to play our roles at the national level.

In order to fully realize the objectives and outputs of the Plan, support will be required from a number of Cooperating and Development Partners. In this regard, we the Council of Ministers look forward to a deeper and beneficial collaboration between the TTCA-NC and other institutions, both at continental and regional levels that include: the Africa Union Commission (AUC), the United Nations Economic Commission for Africa (UNECA) NEPAD Implementing Agency, Common Market for Eastern and Southern Africa (COMESA), East African Community (EAC), Inter-Governmental Authority for Development (IGAD), Southern Africa Development Community (SADC), International Conference for Great Lakes Region (ICGLR), Commission Internationale du Bassin Congo-Oubangui-Sangha (CICOS), Port Management Association for Eastern and Southern Africa (PMAESA), Intergovernmental Standing Committee on Shipping (ISCOS), Nile Basin Initiative (NBI), European Union (EU) and United Nations Development Programme (UNDP).

The Council of Ministers further appeals to the Development Partners that include: the World Bank, the African Development Bank, UNECA, USAID, DFID, Trade Mark East Africa, JICA, DBSA, to mention but a few, to continue providing financial and technical support toward the implementation of TTCA-NC programmes and projects and to contribute toward the implementation of this Strategic Plan.



**Eng. Abraham James Byandala**  
Chairman TTCA-NC Council of Ministers and  
Minister of Works and Transport,  
Government of the Republic of Uganda



## PREFACE

It was almost 5 years ago when the 1<sup>st</sup> Strategic Plan of TTCA- NC was adopted in a view to guide its institutional development, the planning of its activities and its resources mobilization efforts.

As an Intergovernmental Organization, the Members States entrusted TTCA-NC a core mandate of removing obstacles to the movement of goods and traffic along the corridor by establishing an efficient trade and transport logistics system, through harmonization of transport policies; simplification of trade procedures; promotion of private sector investments; and the development of transport infrastructure and facilities.

I am encouraged and pleased to note that we are now launching this 2<sup>nd</sup> Strategic Plan which covers the progress made in implementing TTCA-NC programs over the last 5 years, the lessons learnt from the 1<sup>st</sup> Strategic Plan, the current strategy and the way forward.

TTCA-NC which expected in its vision to be a seamless Transport Corridor with the most efficient trade and transport logistics chain in the Region, has decided to transform the Northern Corridor into an economic development Corridor that offers internationally competitive transit transport services and promote regional integration.

This 2<sup>nd</sup> Strategic Plan marks a very significant milestone to move the regional integration agenda forward during the next 5 years 2012-2016. It will serve to develop an enabling framework and an important management tool, linking the Secretariat to Members States, Stakeholders and Development Partners by assisting TTCA-NC to remain focused, proactive and successfully navigate through the turbulence created by change all over the period.

Before drawing up the current Strategy, the Secretariat, with the technical support of UNECA, assessed the achievements of the 1<sup>st</sup> Strategic Plan and undertook the economic performance, traffic and trade flow analysis of Northern Corridor Member States.

This Strategic Plan is divided into three parts: Part I presents the northern corridor environment in three chapters, in particular, the institutional framework and mandate of TTCA-NC, methodology and structure of the Strategic Plan (chapter 1); the Economic performance, traffic and trade flow analysis (chapter 2) and the Achievements or Lessons learnt from 2007-2011 Strategic Plan (chapter 3).

Part II presents the Strategies for 2012-2016 in three chapters by highlighting the Vision, Mission, core values and goals (chapter 4); the environment was scanned through a SWOT analysis (chapter 5) and finally the Strategic & Program objectives were described (chapter 6). Then, Part III outlines the Logical Framework (chapter 7) and the implementation Plan (chapter 8) by designing an efficient mechanism to monitor the results and rapidly adapt to the changes.

In order to bring this strategic plan to life as an effective tool for guiding the TTCA-NC to a common and successful direction, the following fundamentals were observed: a participatory approach and aligning stakeholders' capabilities and goals to strategy; and a monitoring implementation for a continuous strategic leadership improvement.

Therefore, the above five strategic objectives (SO) were adopted to orient the five technical programs to translate the strategy into actions:



1. SO1: Development of opportunities and incentives for increased private sector investment and participation in the Northern Corridor
2. SO2: Expansion, modernization and improvement of Transport Infrastructure and service relating to road, rail, pipeline, ports, inland waterways, Border Posts, terminals, communication systems and other related facilities.
3. SO3: Harmonization and Streamlining of policies and legal framework for transport and Trade facilitation
4. SO4: Enhanced Knowledge Management and Capacity Building
5. SO5: Performance Monitoring and Evaluation.

The Permanent Secretariat appreciates past efforts from all Stakeholders during the five years' implementation period of the 1<sup>st</sup> Strategic Plan. However, a bit more effort is needed if we are to transform the Northern Corridor into an Economic Development Corridor which offers safe, fast and competitive transport and transit services that secure regional trade, stimulate investments, and encourage sustainable development and poverty reduction.

Hence, I would urge TTCA-NC Member States and Development Partners to use this TTCA-NC Strategic Plan to support their day-to-day decisions and to develop their respective plans & budgets to ensure that transport facilitates this region's economic growth and social development.



**Donat M. Bagula**  
**Executive Secretary**

## **ACKNOWLEDGEMENTS**

TTCA-NC Secretariat wishes to acknowledge with great appreciation the technical assistance provided by the Sub-Regional Office for Eastern Africa (SRO-EA) of the United Nations Economic Commission for Africa (UNECA) for the preparation of this Strategic Plan.

In this regard, TTCA-NC Secretariat would like to express personal gratitude to Mr. Antonio M. A. Pedro, the Director of the SRO-EA and his staff for the invaluable role they played in preparing this Strategic Plan.

TTCA-NC Secretariat also wishes to acknowledge the input of the members of Staff of the Secretariat, as their contribution was very crucial from the beginning to the finalization of the Strategic Plan.

TTCA-NC Secretariat further wishes to acknowledge the contributions made by various participants during the validation workshop, which took place in Mombasa, Kenya on May 14, 2012. The Secretariat would in fine like to thank the Executive Board for its valuable input and approval made during the 34<sup>th</sup> meeting that helped to finalize this Strategic Plan.

## LIST OF ABBREVIATIONS AND ACRONYMS

AfDB	-	African Development Bank
ASYCUDA	-	Automated System for Customs Data
COMESA	-	Common Market for Eastern and Southern Africa
COMPETE	-	Competitiveness and Trade Expansion
CD-COM	-	COMESA Customs Document
CDS	-	Corridor Diagnostic Study
CFS	-	Container Freight Station
CICOS	-	Commission Internationale du Bassin Congo-Oubangui-Sangha
CEPGL	-	Economic Community for the Great Lakes Countries
DFID	-	Department for International Development of the United Kingdom
DBSA	-	Development Bank of Southern Africa
DRC (D. R. Congo)	-	Democratic Republic of Congo
DWT	-	Dead Weight Tons
EAC	-	East African Community
EAPP	-	East African Power Pool
EDC	-	Economic Development Corridor
ESWS	-	Electronic Single Window System
EU	-	European Union
EXIM	-	Export-Import
GDP	-	Global Domestic Product
GOK	-	Government of Kenya
GOU	-	Government of Uganda
GOSS	-	Government of South Sudan
IBM	-	Integrated Border Management
ICGLR	-	International Conference for the Great Lakes Region
ICD	-	Inland Container Depot
ICT	-	Information Communications Technology
IPPF	-	Infrastructure Project Preparation Facility
IGAD	-	Intergovernmental Authority for Development
IGOs	-	Inter-Governmental Organizations
ISCOS	-	Intergovernmental Standing Committee on Shipping
IRI	-	International Roundness Index
JKIA	-	Jomo Kenyatta International Airport, Nairobi
KENHA	-	Kenya National Highways Authority
KMA	-	Kenya Maritime Authority
KPA	-	Kenya Ports Authority
KRA	-	Kenya Revenue Authority
KWATOS	-	KILINDINI Waterfront Terminal Operations System
MAGERWA	-	Magasins Généraux du Rwanda
MCLI	-	Maputo Corridor Logistics Initiative
MIS	-	Management Information System
MOU	-	Memorandum of Understanding
NCCA	-	Northern Corridor Coordination Authority
NCSDP	-	Northern Corridor Spatial Development Programme
NCTA	-	Northern Corridor Transit Agreement

NCTTA	-	Northern Corridor Transport and Transit Agreement
TTCA-NC	-	Transit Transport Coordination Authority of the Northern Corridor
NCTIP	-	Northern Corridor Transport Improvement Project
NEPAD	-	New Partnership for Africa's Development
OECD	-	Organization for Economic Cooperation and Development
ONATRA/SCTP	-	Office National de Transports du Congo
OSBP	-	One Stop Border Post
PIM	-	Project Information Memorandum
PMAESA	-	Port Management Association for Eastern and Southern Africa
PPPs	-	Public Private Partnerships
PPIAF	-	Public Private Infrastructure Advisory Finance
RADDEX	-	Revenue Authorities Digital Data Exchange
RCBG	-	Regional Customs Bond Guarantee
RCTG	-	Regional Customs Transit Guarantee
RECs	-	Regional Economic Communities
RVR	-	Rift Valley Railways
SNCC	-	Société Nationale des Chemins de Fer du Congo
SO	-	Strategic Objective
SRO-EA	-	Sub-Regional Office for Eastern Africa of the UNECA
SSA	-	Sub-Saharan Africa
SSATP	-	Sub-Saharan Africa Transport Policy Program
SWOT	-	Strengths Weaknesses Opportunities and Threats
TEUs	-	Twenty-foot Equivalent Units
TMEA	-	Trade Mark East Africa
UNECA	-	United Nations Economic Commission for Africa
UNRA	-	Uganda National Roads Authority
USAID	-	United States Agency for International Development
USD	-	United States Dollars
WBCG	-	Walvis Bay Corridor Group
WCO	-	World Customs Organization

## EXECUTIVE SUMMARY

### 0.1. Introduction

The Northern Corridor Transit Transport Coordination Authority (TTCA-NC) was established in 1985 and its membership comprises Burundi, Democratic Republic of Congo, Rwanda, Uganda and Kenya, the contracting parties of the Northern Corridor Agreement. TTCA-NC was established by the Northern Corridor Agreement as the authority responsible for the management of the Northern Corridor, which is the corridor linking the landlocked countries of Burundi, Rwanda, Uganda and the D. R. Congo to the Kenyan maritime port of Mombasa. The corridor also links South Sudan and Northern Tanzania to the port of Mombasa.

The institutional structure of the Authority comprises a **Council of Ministers** comprising Ministers responsible for transportation matters in each of the contracting States as the top most policy organ. Next to the Council of Ministers is the **Executive Committee**, being an inter-governmental Committee composed of Permanent Secretaries or their equivalents also responsible for transport matters in each of the contracting states; is primarily responsible for initiating general principles and policies governing the Authority. A number of Specialized Committees have been put in place to synthesize and make appropriate recommendations to the Executive Committee. These are: (1) Private-Public Partnership Committee; (2) Committee on Infrastructure Development and Management; (3) Committee on Transport Policy and Planning; and (4) Committee on Customs and Transit Facilitation. Finally, the executing organ of the Authority is the Permanent Secretariat, which is based in Mombasa, Kenya.

The mandate of the TTCA-NC is summarized by following the objectives, which were spelt out in the Agreement:

- 1) To facilitate trade, the movement of persons, vehicles and goods in domestic, regional and international transport;
- 2) To stimulate economic and social development in the territories of the contracting parties;
- 3) To transform the Corridor into a Development Corridor which, in addition to offering safe, fast and competitive transport and transit services that secure regional trade, will stimulate investments, encourage sustainable development and poverty reduction; and
- 4) To implement strategies for accelerating economic and social growth along the corridor while ensuring environmental sustainability.

### 0.2. Preparation of the Strategic Plan

In pursuit of the above objectives, TTCA-NC prepared and implemented its first five-year Strategic Plan covering the period 2007-2011. Substantial progress was made and critical lessons learnt, during implementation of the first Strategic Plan. The second Strategic Plan for the period 2012-2016 therefore builds on the achievement of the first strategic plan. The second strategic plan will be anchored on five strategic objectives (SOs), which are similar to those of the previous strategic plan, namely:

- (i) SO1: “Development of opportunities and incentives for increased private sector investment and participation in the Northern Corridor”.

- (ii) SO2: “Expansion, modernization and improvement of transport infrastructure and services, relating to road, rail, pipeline, ports, inland waterways, border posts, terminals, communications and other related facilities”.
- (iii) SO3: “Harmonization and streamlining of policies and legal frameworks for transport and trade facilitation.
- (iv) SO4: “Enhanced knowledge management and capacity building.
- (v) SO5: “Performance Monitoring and Evaluation”.

Preparation of the second strategic plan has also been informed by findings and recommendations of a number of studies carried out during the past five years, by either the TTCA-NC itself or other partners. Notable among such studies are (i) the Northern Corridor Infrastructure Master Plan Study; (ii) the Scoping Study for the Northern Corridor Spatial Development Programme; (iii) the Analytical Comparative Transport Cost study for the Northern Corridor; and (iv) Corridor Diagnostic Study for the Northern and Central Corridor. Besides the studies, SWOT analysis was carried to establish the Strengths, Weaknesses, Opportunities and Threats, with a view to formulating appropriate strategies and actions. In addition, trade and transport facilitation measures that have been agreed upon under the COMESA/EAC/SADC tripartite framework have also been taken into account.

### **0.3. Implementation Plan**

Under each of the above Strategic Objectives, key programme objectives, main activities, target outputs have been identified and formulated. In addition, the timeframe for carrying out the activities, performance indicators, as well as cost estimates have been specified. In order to realize the outputs of the strategic plan, implementation activities will be carried out at both the level of the Secretariat and the member States. Key assumptions have been made and include the following:

- Adequate staffing of the TTCA-NC Secretariat. This will entail minor adjustments in the structure to include essential functions, currently missing and the filling of all vacant positions
- Adequate financial resources becoming available for execution of the activities, both at the Secretariat and the member States level.

In addition to the above two fundamental assumptions the implementation plan envisages the forging of partnerships and collaboration with regional economic communities and other organizations. The Northern Corridor traverses the economic spheres of a number of regional economic communities, notably the EAC, COMESA, IGAD and CEPGL. These RECs undertake programmes that impact on the Northern Corridor and the activities of the TTCA-NC, hence the need to forge partnerships and strong collaboration with them. Close collaboration will also be forged with other intergovernmental organizations with similar mandates in order to achieve certain outcomes. In addition there are other partners, such as USAID/COMPETE, Trade Mark East Africa, JICA, UNECA and NEPAD with whom TTCA-NC is either already collaborating or will have to do so during the five-year period. Finally, and needless to say, donors will have an important role to play in financing national programmes and projects, especially those related to infrastructure development, and providing technical assistance support to the TTCA-NC Secretariat.



The total estimated cost for implementation of the Strategic Plan 2012-2016 is approximately US\$ 2,958.2 million. The cost estimates will be monitored closely and reviewed whenever necessary.

#### **0.4. Performance Monitoring and Evaluation**

A key aspect during the implementation of the strategic plan will be performance monitoring and evaluation. Monitoring will require taking a periodic look on how implementation is progressing. Regular monitoring of the strategy implementation will therefore focus on the following:

- (i) Progress in implementation of activities based on set timelines
- (ii) Activity budget lines and their utilization
- (iii) Achievement of desired results in relation to set targets
- (iv) Changes in the environment, both at the Secretariat and in the member States to establish whether the assumptions still hold

In this regard, periodic implementation reports will be prepared as indicated below:

- Quarterly Performance Reports
- Semi-Annual (Six Monthly) reports
- Annual Reports

Similarly, evaluation, which refers to assessment of the impact of completed interventions, will be carried out to enable the Secretariat, for example, to determine the effectiveness of the programmes in addressing problems and bottlenecks along the corridor. Evaluation will assess impact of ongoing and completed interventions, in terms of both qualitative and quantitative changes. The following evaluation activities will be undertaken.

- Baseline Evaluation (Ex-ante): This refers to initial evaluation at the commencement of implementation of the Strategic Plan in order to establish the baseline data in respect of selected outcome (impact) indicators. The following are some of the indicators that will be tracked and whose baseline data will have to be established:
  - Cargo dwell time at the port and CFSs
  - Average time taken to secure port charges
  - Time taken by customs to clear cargo at the port, border posts and inland terminals
  - Transit time by mode of transport, from origin to destination
  - Transit time at various border posts
  - Delays en-route by cause of delay (Weighbridges, Police checks or Escorts, Customs checks, Scanning)
  - Average transit time per country
  - Rail market share
  - Average number days of container stay inland by country of destination
  - Transport Costs, e.g. Inland freight charges
  - Intra-regional trade between Northern Corridor Countries
- Mid-term review will be carried out in the middle of the third year that is around June 2014.
- Final Evaluation (Ex-post): will be carried during the final year of the Strategy to assess the impact of the various interventions.

# **PART I: SITUATIONAL ANALYSIS**

## Chapter 1: Introduction



### 1.1. Background

The Northern corridor is the transport corridor linking the land locked countries of Uganda, Rwanda and Burundi with Kenya's maritime port of Mombasa. Similarly, the Northern Corridor serves Eastern part of the Democratic Republic of Congo, Southern Sudan and Northern Tanzania. Thus, Northern Corridor infrastructure connects all the five countries of the East African Community and beyond. Figure 1 below shows the location map of the Northern Corridor.

Figure 1: Location Map of the Northern Corridor



#### Legend:

	Road Network		Railways Networks
	Pipelines		Inland Waterways

Because of their heavy reliance of the Northern Corridor for their overseas trade, as well as the trade among themselves, Burundi, Democratic Republic of Congo, Kenya, Rwanda and Uganda are contracting parties to the Northern Corridor Agreement. The Agreement provides the legal framework for collaboration among these countries on matters to do with transit transport; customs control; documentation and procedures; as well as the development of infrastructure and facilities relating to sea ports, inland ports and waterways, roads, railways, pipelines and border posts.

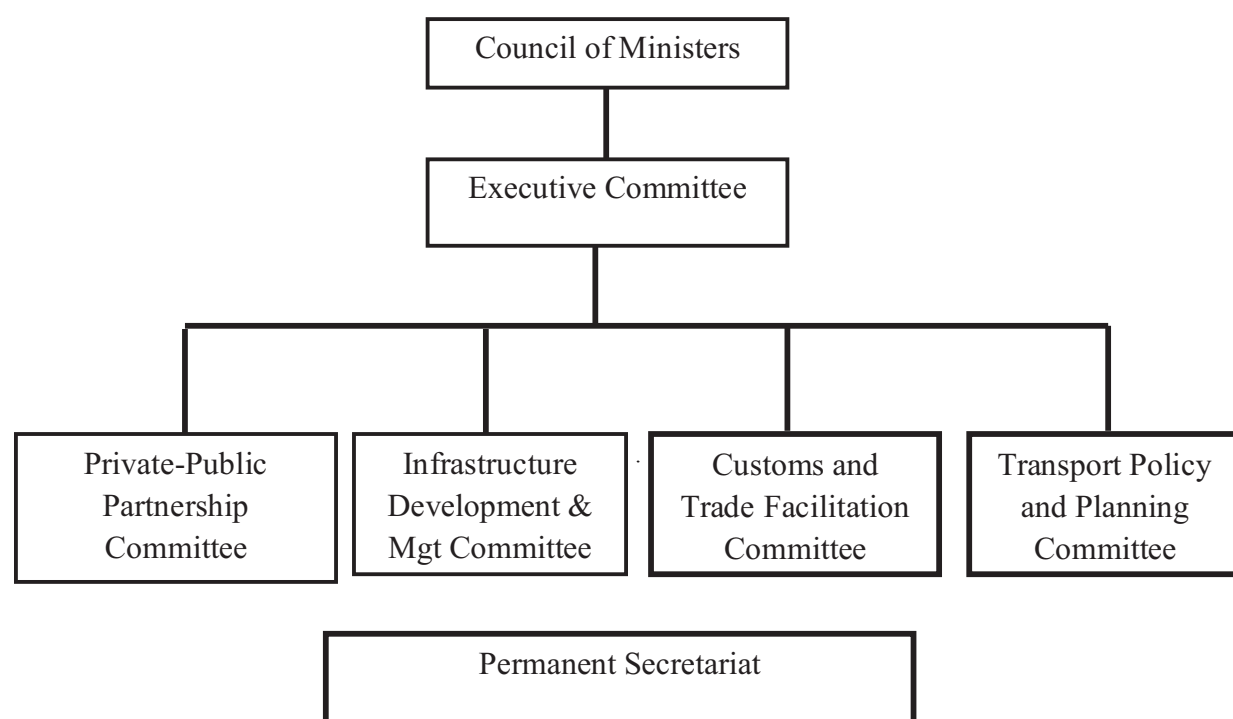
The Northern Corridor is a multi-modal corridor, encompassing road, rail, pipeline and inland waterways transport. The main road network runs from Mombasa Sea Port through Kenya and Uganda to Kigali in Rwanda, Bujumbura in Burundi and to Kisangani in the Democratic Republic of Congo. The road network also links Kenya and Uganda to Juba in South Sudan. The rail network runs from Mombasa Sea Port through Nairobi, Malaba, and Kampala to Kasese in Western Uganda, close to the border with the Democratic Republic of Congo. A branch line

radiates from Nakuru to Kisumu on Lake Victoria, from where rail wagon ferries link the system to Port Bell in Kampala. Another rail branch line runs from Tororo in eastern Uganda to Pakwach in Northern, from where river steamers used to provide links with Nimule in South Sudan. The oil pipeline runs from Mombasa through Nairobi and Nakuru to Kisumu and Eldoret in western Kenya, from where the land locked countries access their fuel imports.

## 1.2. Institutional Framework

The institution responsible for the management of the Northern Corridor is referred to as the Northern Corridor Transit Transport Coordination Authority (TTCA-NC). The Authority's three key organs comprise the Council of Ministers, the Executive Board and the Executive Secretariat. In addition there are Specialized Technical Committees as illustrated in Figure 2.

**Figure 2: Northern Corridor Authority Structure**



The Council of Ministers comprising Ministers responsible for transportation matters in each of the contracting States is the top most policy organ of the Authority. It is the policy making body of the TTCA-NC and its decisions are binding on all contracting parties. Below the Council of Ministers is the Executive Committee. This is an inter-governmental Committee composed of Permanent Secretaries or their equivalents that are responsible for transport matters in each of the contracting states. The Executive Committee is primarily responsible for initiating general principles and policies governing the TTCA-NC, as well as strategies for transport and trade facilitation, infrastructure development; and, harmonization of national policies. The Executive Committee is also the organ responsible for resourcing the Secretariat, in terms of human and financial resources, and the supervision of the Secretariat

The executing organ of the TTCA-NC is the Permanent Secretariat. It is based in Mombasa and it is responsible for coordinating implementation of the Northern Corridor Agreement and any other decisions and resolutions made by the Council of Ministers and the Executive Board.

A number of Specialized Committees have been put in place to synthesize and make appropriate recommendations to the Executive Committee. These are: (1) Private-Public Partnership Committee; (2) Committee on Infrastructure Development and Management; (3) Committee on Transport Policy and Planning; and (4) Committee on Customs and Transit Facilitation.

### **1.3. Mandate and Objectives of TTCA-NC**

The overall mandate of the TTCA-NC is the removal of all obstacles to the flow of trade and services along the Northern Corridor. In fulfilling this mandate, the objectives of the TTCA-NC are as specified in the 2007 Agreement, namely:

- (i) To facilitate trade, the movement of persons, vehicles and goods in domestic, regional and international transport;
- (ii) To stimulate economic and social development in the territories of the contracting parties;
- (iii) To transform the Corridor into a Development Corridor which, in addition to offering safe, fast and competitive transport and transit services that secure regional trade, will stimulate investments, encourage sustainable development and poverty reduction; and
- (iv) To implement strategies for accelerating economic and social growth along the corridor while ensuring environmental sustainability.

In order to achieve the above objectives, the contracting states have agreed to undertake the following:

- (i) To establish and manage transport and communication systems that are viable, reliable and efficient, with the private sector being eligible to operate and manage such systems;
- (ii) To implement a policy of non-discriminatory, reciprocity, equal treatment and fair competition towards operators and users of the transport and communications systems;
- (iii) To cooperate in investment planning, development of transport and transit facilities and to jointly seek financing for project execution;
- (iv) To harmonize their standards and procedures for design, construction, operation and maintenance of transport, transit facilities and equipment;
- (v) To take measures necessary to promote the role of the corridor as a development corridor;
- (vi) To encourage the private sector to participate in the financing of construction and maintenance of transport infrastructure and facilities;
- (vii) To harmonize privatization policies relating to the management of transport facilities and services;
- (viii) To facilitate the smooth and rapid movement of persons and goods between their territories and in transit, through the simplification and harmonization of documentation and procedures relevant to the movement of persons and goods between their territories and in transit through their territories;
- (ix) To work towards eradication of customs fraud and tax evasion; and
- (x) To carry out mutual consultations with other contracting parties, prior to effecting any changes in laws, regulations and procedures concerning the movement of persons, vehicles and goods, except in an emergency.

## **1.4. Methodology**

### **1.4.1. Literature Review**

An extensive literature review was carried out. Several documents and reports relating to TTCA-NC activities during the past five years were reviewed. Most useful were reports of studies that had been accomplished during the implementation of the previous strategic plan. Other studies carried out on the Northern and Central corridors were equally useful. In addition, Internet search was also undertaken whereby documentation and plans of other regional organizations, relevant to the formulation of the TTCA-NC Strategic Plan, were also reviewed. Internet search was also useful in obtaining data relating to economic performance, traffic and trade flow projections.

### **1.4.2. Evaluation of the previous Strategic Plan**

The Strategic Plan 2012-2016 has been formulated following a thorough review and evaluation of the previous strategic plan. The purpose of the review and evaluation of the previous strategic plan was to establish its level of implementation and to determine whether the strategic objectives therein, as well as the desired outputs are still relevant. Hence the successor strategic plan builds on the previous strategic plan.

### **1.4.2. SWOT Analysis**

Having carried out the evaluation of the previous strategic plan, a SWOT analysis was then undertaken. This entailed the internal scan of the TTCA-NC with a view to assessing its strengths and weaknesses. Similarly, a scan of the external environment within the TTCA-NC operates was undertaken, with a view to identifying opportunities and threats.

### **1.4.3. Working Sessions**

Working sessions were held within the Secretariat to review and agree on the mission, vision, core values and goals of the TTCA-NC. The working sessions were quite useful in identifying necessary information and inputs into the Strategic Plan.

### **1.4.4. Retreat to review the Draft Strategic Plan**

The Secretariat organized a three day retreat during which a thorough review of the draft strategic plan was undertaken. The retreat served the purpose of building consensus within the Secretariat, with regard to the strategic objectives, programme objectives, main activities, targeted outputs, performance indicators, timeframe and estimated costs. In other words, reaching consensus on the logical frame of the Strategic Plan. In this regard, necessary adjustments were made to the draft strategic plan.

### **1.4.5. Stakeholders' Workshop**

Finally, the Draft Strategic Plan was subjected to scrutiny by a stakeholders workshop, which deliberated on the document and endorsed it, with some amendments.



## **1.5 Structure of the Strategic Plan**

The Strategic Plan (2012-2016) is organized in three parts.

Part I: Situational Analysis is laid out in three Chapters, namely: Chapter 1, which introduces the TTCA-NC and describes the Northern Corridor; Chapter 2, dealing with economic performance, traffic projections and trade flows along the Corridor; and Chapter 3, which is a summary of the findings and lessons drawn from the implementation of the previous strategic plan.

Part II: the Strategy for 2012-2016 is laid out in three chapters, that is chapters 4, 5 and 6. Chapter 4 covers the Vision, Mission, Core Values and Goals of the TTCA -NC. SWOT analysis is covered in Chapter 5, while Chapter 6 deals with Strategic Objectives and Programme Objectives.

Part III: Logical Framework and Implementation Plan is laid out in two chapters. In Chapter 7, the logical framework is described and the logical framework matrix has been built. The last chapter, Chapter 8, covers the implementation plan and the assumptions that have been made. In particular, this chapter deals with issues concerning human and financial resources; the role to be played by member States; Collaboration with partners; and the Monitoring and Evaluation framework

## Chapter 2: Economic, Traffic and Trade Flow Analysis

### 2.1. Economic Performance of Northern Corridor Countries

GDP growth rates for the NC countries during the past five years have been quite impressive, despite the global financial crisis. As can be seen from Table 1, the economies of the Northern Corridor countries are among the faster growing economies in the world, in comparison with the rest of Sub-Saharan Africa (SSA), OECD countries and the World average. Rwanda and Uganda in particular have done very well, but the other countries are not doing badly either. The outlook for 2012 indicates that all the NC countries will have GDP growth rate of 5% or more.

**Table 1: GDP Growth Rates of Northern Corridor Countries**

COUNTRY	YEAR					
	2007	2008	2009	2010	2011	2012 <sup>1</sup>
Burundi	3.6	4.5	3.4	3.9	4.5	4.8
D. R Congo	6.3	6.6	2.8	7.1	6.5	5.1
Kenya	7.1	1.5	2.6	5.6	4.3	5.5
Rwanda	7.6	11.2	6.2	7.2	8.6	7.0
Uganda	6.5	10.4	4.1	6.2	5.6	6.9
Comparative GDP growth rates						
SSA	-	6.1	1.7	4.8	4.4	5.3
OECD	-	0.1	-3.8	3.1	1.9	1.6
World	-	1.6	-2.4	4.0	2.8	2.6

*Source: UNECA-Tracking Macro-Economic indicators in Eastern Africa*

### 2.2. Trade Flows and Projections

The Corridor Diagnostic Study (CDS) for the Northern and Central Corridors carried out by Nathan and Associates Inc., in 2010 estimated that nearly 21.5 million tons of cargo was shipped through the Northern Corridor. Of this total, Kenya's overseas trade accounted for 58%, transit traffic accounted for 28% and balance of 14% was attributed to regional trade. This is illustrated in Table 2.

**Table 2: Northern Corridor Traffic by Type and Mode, 2009 (000 tons)**

Type of Traffic	Road	Rail	Total	Rail Share (%)
Transit	5,509	417	5,926	7
Regional	2,974	151	3,125	5
Domestic <sup>2</sup>	11,817	622	12,439	5
<b>Total</b>	<b>20,300</b>	<b>1,190</b>	<b>21,490</b>	<b>6</b>

*Source: CDS Study by Nathan and Associates Inc.*

The study mentioned above has forecast traffic using the Northern Corridor to grow from 21.5 million tons in 2009 to over 35 million tons by 2015. The 2015 figure has been projected to more than double by the year 2030 to a figure of 89.6 million tons, as shown in Table 5 and Table 6. Port of Mombasa cargo forecasts (see Table 7) indicated that import cargo tonnage will grow from 16.5 million tons in 2009 to 23 million tons and 64.7 million tons in 2015 and 2030

<sup>1</sup>Year 2012 figures are projections

<sup>2</sup>Domestic refers to goods originating or destined to Kenya passing through Mombasa port



respectively. Similarly export cargo will grow from 2.5 million tons in 2009 to 7.28 million tons and 14.78 million tons in 2015 and 2030, respectively. Containerized cargo was projected to grow from 619,000 TEUs in 2009 to 1,314,000 TEUs and 3,514, 000 TEUs in 2015 and 2030, respectively. Overall, rail market share has been forecast to increase to approximately 12.5% by 2015 and remain in that range up to 2030. However, rail share of transit traffic has been forecast at of over 30% (See Tables 3 and Table 4).

**Table 3: NC Projected Traffic by Type and Mode 2015 (000 tons)**

Type of Traffic	Road	Rail	Total	AAGR (%) 2009-2015	Rail Share (%)
Transit	6,883	3,142	10,025	9.2	31.3
Regional	4,764	202	4,966	8.0	4.1
Domestic	19,259	1,014	20,273	8.5	5.0
<b>TOTAL</b>	<b>30,906</b>	<b>4,358</b>	<b>35,264</b>	<b>8.6</b>	<b>12.4</b>

Source: CDS Study by Nathan and Associates Inc.

**Table 4: NC Projected Traffic by Type and Mode 2030 (000 tons)**

Type of Traffic	Road	Rail	Total	AAGR(%) 2015-2030	Rail Share (%)
Transit	16,524	8,145	24,669	6.2	33.0
Regional	10,517	442	10,959	5.4	4.0
Domestic	51,253	2,698	53,950	6.7	5.0
<b>TOTAL</b>	<b>78,294</b>	<b>11,285</b>	<b>89,578</b>	<b>6.4</b>	<b>12.6</b>

Source: CDS Study by Nathan and Associates Inc.

**Table 5: Forecast of Mombasa Port Traffic by Type of Cargo (000 tons)**

Type of Cargo	Period			Average Annual Growth (%)	
	2009	2015	2030	2009-15	2015-30
<b>Imports</b>					
Containerized	4,086	6,152	18,513	7.1	7.6
General Cargo	1,349	2,861	7,221	13.4	6.4
Dry Bulk	4,641	4,330	10,705	-1.2	6.2
Liquid Bulk	6,431	6,377	11,221	-0.1	3.8
Sub-Total	16,507	23,055	64,657	5.7	7.1
<b>Exports</b>					
Containerized	1,952	9,615	30,688	30.4	8.0
General Cargo	269	-	-	-	-
Dry Bulk	62	812	1,051	-	-
Liquid Bulk	107	191	34	2.3	-10.8
Sub-Total	2,450	7,283	14,777	19.9	4.8
<b>TOTAL</b>	<b>18,957</b>	<b>30,338</b>	<b>79,434</b>	<b>8.2</b>	<b>6.6</b>
<b>TEUs</b>	<b>619</b>	<b>1,314</b>	<b>3,514</b>	<b>13.4</b>	<b>6.8</b>

Source: CDS Study by Nathan and Associates Inc.

The CDS concluded that above traffic forecasts imply that the existing corridor infrastructure will be overwhelmed and will require substantial investments throughout the forecast period. Unconstrained traffic growth implies large future demand on ports, highways and railways. The CDS study further indicated that road network needs to be able to handle 80% more traffic, than it currently handles, by 2015 and four times more traffic by 2030. In the case of the Mombasa port, Table 5 above indicates that port capacity will have to increase to be able to handle over 30 million tons by 2015 and nearly 80 million tons by 2030. The Northern Corridor Strategic Plan has to take these forecasts into consideration.

Meanwhile the 20-year (2010-2030) Northern Corridor Infrastructure Master Plan study, completed in May 2011, has identified priority infrastructure projects. The Action Plan has placed the projects in three phases; namely 2011-2015; 2016-2020; and 2021-2030. Implementation of projects included in the first phase (i.e., 2011-2015) has been included in the 2012-2016 Strategic Plan.

### 2.3. Intra-regional Trade within the NC member States

Substantial trade takes place among the five Northern Corridor countries, namely: Burundi, D. R. Congo, Kenya, Rwanda and Uganda. While it was not possible to find the tonnages of the traded goods, **Table 6** shows the trade in terms of the dollar values, between 2007 and 2011.

It will be noted that there are variance in the trade figures between any two countries, as reported by the countries, being the primary sources. For, example, between Kenya and Uganda, the trade figures reported by Uganda (exports to and imports from Kenya) vary with the figures as reported by Kenya (export to and imports from Uganda). There are three possible explanations for such variances:

- (i) Traders usually under-declare the values of consignments in order to be taxed less in the receiving country;
- (ii) Most countries in the region do not levy taxes on exports and as such, there might be poor record keeping by the customs administrations; and
- (iii) Some countries capture informal trade data, while other do not capture informal trade statistics

In view of the foregoing, there will be need for the TTCA-NC to set a system for capturing intra-regional trade among the member States. Furthermore, trade planners are usually more interested in cargo tonnages and not the dollar values. In this regard, the TTCA-NC has to design a mechanism for capturing tonnages on intra-regional trade at border posts, inland terminals and airports, in collaboration with the Revenue Authorities.

**Table 6: Intra-Regional trade among NC Countries (US\$ 000)**

Country	Trading Partner	Flow	2007	2008	2009	2010	2011
Burundi	Kenya	Export	-	-	1,200	1,826	5,396
		Import	-	-	59,485	68,849	67,430
		Balance	-	-	(58,285)	(67,023)	(62,340)
	Uganda	Export	3,682	3,049	6,439	1,766	3,826
		Import	N.A	N.A	29,652	29,652	42,702
		Balance			(23,213)	(27,886)	(38,876)

	Rwanda	Export	10,385	4,462	4,732	2,145	4,741
		Import	N.A	N.A	1,790	2,542	6,226
		Balance			2,942	(397)	(1,485)
	D.R. Congo	Export	-	-	7,039	2,629	4,979
		Import	-	-	652	710	5,504
		Balance	-	-	6,387	1,919	(525)
Uganda	Kenya	Export	118,191	164,631	173,974	190,300	226,582
		Import	472,448	511,333	502,659	511,531	644,547
		Balance	(354,257)	(346,702)	(328,685)	(321,231)	(417,965)
	Rwanda	Export	83,309	136,895	135,295	149,345	193,500
		Import	1,659	2,879	3,071	7,389	7,847
		Balance	81,650	134,016	132,224	141,956	185,653
	Burundi	Export	42,719	45,383	55,760	51,333	41,451
		Import	774	909	426	1,087	2,188
		Balance	41,945	44,474	55,334	50,246	39,263
	D.R. Congo	Export	-	-	156,606	183,992	182,441
		Import	-	-	4,346	7,278	6,354
		Balance	-	-	152,260	176,714	176,087
Kenya	Uganda	Export	498,851	614,711	598,316	657,286	872,634
		Import	88,820	75,414	57,325	118,311	116,838
		Balance	410,031	539,297	540,991	538,975	755,796
	Rwanda	Export	86,193	130,394	123,390	132,892	155,016
		Import	1,318	366	3,109	5,422	4,717
		Balance	84,875	130,028	120,281	127,470	150,299
	Burundi	Export	36,015	50,546	59,485	68,849	67,430
		Import	2,269	1,129	1,200	1,826	5,396
		Balance	33,746	49,417	58,285	67,023	62,034
	D.R. Congo	Export	123,462	143,575	146,521	161,352	200,000
		Import	22,685	14,251	11,390	16,770	28,428
		Balance	100,777	129,324	135,131	144,582	171,572
		Exports	-	-	5,384	4,967	7,981

Rwanda	Kenya	Imports	-	-	123,901	144,264	118,126
		Balance	-	-	(118,517)	(139,297)	(110,145)
	Uganda	Exports	-	-	5,579	6,908	6,831
		Imports	-	-	143,049	179,842	188,667
		Balance	-	-	(137,470)	(172,934)	(181,836)
	Burundi	Export	-	-	5,384	4,967	7,981
		Import	-	-	3,334	3,244	3,608
		Balance	-	-	2,050	1,723	4,373
	D. R. Congo	Export	-	-	12,686	17,856	58,488
		Import	-	-	5,995	28,316	13,614
		Balance	-	-	6,691	(10,460)	44,874
D.R. Congo	Burundi	Export	-	-	652	710	5,504
		Import	-	-	7,039	2,629	4,979
		Balance	-	-	(6,387)	(1,919)	525
	Rwanda	Export	-	-	5,995	28,316	13,614
		Import	-	-	12,686	17,856	58,488
		Balance	-	-	(6,691)	10,460	(44,874)
	Uganda	Export	82	1,510	4,346	7,278	6,354
		Import	100,046	124,990	156,606	183,992	182,441
		Balance	(99,964)	(123,480)	(152,260)	(176,714)	(176,087)
	Kenya	Export	-	-	11,390	16,770	23,428
		Import	-	-	146,521	161,352	20,000
		Balance	-	-	(135,131)	(144,582)	3,428

Source: International Trade Centre/Trade Map, Calculations based on UN COMTRADE Statistics

## 2.4. Performance of Mombasa Port

The Mombasa port on which the Northern corridor is anchored is the busiest port in East and Central Africa. Total throughput at the port has seen a steady growth, rising from 14.4 million metric tons in 2006 to 19.95 million metric tons in 2011, as shown in Table 2 below. This strong growth is attributed to a tremendous increase in imports destined to the Northern Corridor countries, which in turn reflects strong economic growth in the Northern Corridor countries. Although exports increased marginally, imports on the other hand grew from 11.8 million tons to 16.93 million tons in the space of five years.

Another interesting statistic to note is the growth of containerized cargo, which increased from 4.595 million tons in 2006 to 7.56 million tons in 2011. This is also reflected in the container units handled by the port, which grew from 479,355 TEUs in 2006 to 770,804 TEUs in 2011, representing an average annual growth of about 32%.

Also worthy of note is the growth in transit traffic, which grew from 3.8 million tons in 2006 to 5.6 million tons in 2011, as shown in Table 8. whereas in 2010 D. R. Congo, Rwanda and South Sudan were ranked behind Uganda in that order, in terms of transit traffic, the 2011 data show that South Sudan has overtaken DRC and Rwanda and ranked second to Uganda.

**Table 7: Port Performance: 2006 – 2011 (000 tons)**

Type of Cargo	2006	2007	2008	2009	2010	2011
<b>IMPORTS ('000' DWT)</b>						
Containerized Cargo	2,970	3,761	3,959	4,086	4,591	5,226
Conventional Cargo	1,129	1,105	1,020	1,349	1,397	1,298
Dry Bulk	2,344	2,722	2,891	4,641	3,827	3,807
Liquid Bulk	5,403	5,474	5,441	6,431	6,386	6,607
<b>SUBTOTAL</b>	<b>11,84</b>	<b>13,06</b>	<b>13,31</b>	<b>16,50</b>	<b>16,201</b>	<b>16,93</b>
	<b>6</b>	<b>2</b>	<b>1</b>	<b>7</b>		<b>8</b>
<i>of which Transit In</i>	<b>3,473</b>	<b>4,042</b>	<b>4,471</b>	<b>4,612</b>	<b>5,004</b>	<b>5,166</b>
<b>EXPORTS ('000')</b>						
Containerized Cargo	1,625	1,934	1,996	1,952	2,218	2,337
Conventional Cargo	185	168	299	269	192	171
Dry Bulk	313	205	200	62	70	122
Liquid Bulk	132	167	190	167	95	158
<b>SUBTOTAL</b>	<b>2,255</b>	<b>2,474</b>	<b>2,685</b>	<b>2,450</b>	<b>2,575</b>	<b>2,788</b>
<i>of which Transit Out</i>	<b>335</b>	<b>381</b>	<b>404</b>	<b>368</b>	<b>377</b>	<b>430</b>
<b>TOTAL IMPORT+EXPORTS+EX&amp; Transhipment ('000' )DWT)</b>	<b>14,10</b> 318	<b>15,53</b> 426	<b>15,99</b> 419	<b>18,95</b> 105	<b>18,776</b> 158	<b>19,72</b> 227
<b>TOTAL THROUGHPUT ('000' DWT)</b>	<b>14,41</b>	<b>15,96</b>	<b>16,41</b>	<b>19,06</b>	<b>18,934</b>	<b>19,95</b>
<b>Container Traffic (TEU)</b>	<b>479,3</b>	<b>585,3</b>	<b>615,7</b>	<b>618,8</b>	<b>695,600</b>	<b>770,8</b>
Total Vessel Calls (No.)	1,857	1,811	1,686	1,748	1,579	1684

*Source: Kenya Ports Authority*

**Table 8: Transit Traffic: 2006 – 2011 (DWT)**

Country		2006	2007	2008	2009	2010	2011
UGANDA	Imports	2,572,335	3,099,854	3,374,169	3,686,862	3,942,242	4,028,361
	Exports	249,796	298,721	327,086	293,532	290,492	347,314
	<b>Total</b>	<b>2,822,131</b>	<b>3,398,575</b>	<b>3,701,255</b>	<b>3,980,394</b>	<b>4,232,735</b>	<b>4,375,675</b>
TANZANIA	Imports	245,975	226,661	236,166	231,188	168,489	150,516
	Exports	24,169	22,318	14,639	21,689	10,796	10,441
	<b>Total</b>	<b>270,144</b>	<b>248,979</b>	<b>250,805</b>	<b>252,877</b>	<b>179,285</b>	<b>160,957</b>
BURUNDI	Imports	66,182	49,798	55,488	19,093	5,785	1,201
	Exports	1,277	2,409	1,267	1,022	1,204	688
	<b>Total</b>	<b>67,459</b>	<b>52,207</b>	<b>56,755</b>	<b>20,115</b>	<b>6,989</b>	<b>1,,889</b>
RWANDA	Imports	225,412	262,502	276,617	236,087	275,559	216,306
	Exports	27,701	24,153	16,884	14,472	12,564	9,787
	<b>Total</b>	<b>253,113</b>	<b>286,655</b>	<b>293,501</b>	<b>250,559</b>	<b>288,124</b>	<b>226,093</b>
S. SUDAN	Imports	130,022	144,781	220,105	155,691	190,468	375,897
	Exports	7,822	700	3,176	11,662	32,999	41,135
	<b>Total</b>	<b>137,844</b>	<b>145,481</b>	<b>223,281</b>	<b>167,352</b>	<b>223,467</b>	<b>417,032</b>
D. R. CONGO	Imports	202,832	225,014	264,248	263,110	401,703	339,287
	Exports	23,634	32,096	40,153	25,586	28,714	16,004
	<b>Total</b>	<b>226,466</b>	<b>257,110</b>	<b>304,401</b>	<b>288,696</b>	<b>430,417</b>	<b>355,291</b>
SOMALIA	Imports	29,960	32,862	43,157	16,446	5,219	29,329
	Exports	-	-	19	342	-	-
	<b>Total</b>	<b>29,960</b>	<b>32,862</b>	<b>43,176</b>	<b>16,788</b>	<b>5,219</b>	<b>29,329</b>
OTHERS	Imports	482	480	605	3,970	14,811	24,901
	Exports	232	753	499	29	708	5,000
	<b>Total</b>	<b>714</b>	<b>1,233</b>	<b>1,104</b>	<b>3,999</b>	<b>15,519</b>	<b>20,901</b>
TOTAL	Imports	3,473,200	4,041,952	4,470,554	4,612,446	5,004,278	5,165,797
	Exports	334,631	381,150	403,704	368,334	377,477	430,369
	<b>Total</b>	<b>3,807,831</b>	<b>4,423,102</b>	<b>4,874,258</b>	<b>4,980,780</b>	<b>5,381,754</b>	<b>5,596,166</b>

*Source: Kenya Ports Authority*

## 2.5. Trade and Transport Facilitation

Recent studies carried out have pointed to the following as being the major issues. First and foremost is the lack of trade facilitation mind set. Public authorities lack awareness regarding the negative impact of their actions or non action on international supply chains and on the national economy as a whole. Excessive control is practiced by key public agencies without striking the right balance between trade facilitation on the one hand; and revenue collection, security and other controls on the other. When coupled with poor compliance, as a consequence of lack of better awareness of laws and regulations on the part of private sector parties, the lack of facilitation mind set often results in conflict between the public and private sector players.

The second issue relates to the lack of implementation, by the member States, of the various regional protocols on trade and transport facilitation, namely: the COMESA, EAC and TTCA-NC protocols. Full implementation of such protocols would have gone a long way in removing barriers and reducing the costs of doing business. In some instances, there are differences between COMESA and EAC trade and transport facilitation instruments, thereby presenting challenges to TTCA-NC as it tries to implement such instruments along the Northern Corridor. A number of such instruments are not fully operational along the Northern Corridor.

Another issue concerns the licensing of means of transport. Whereas, licenses issued by the relevant regulatory authority in each Member State is recognized by the other member States, there are some countries which do not have issue licenses to trucks carrying inter-state or transit cargo. This causes a lot of problems as such trucks are then forced to purchase licenses in the recipient country before being permitted to carry return cargo.

Yet another issue concerns the lack of or limited collaboration and coordination among the inter-state agencies, in order to create a system of seamless movement of goods and traffic along the corridor. This situation is even worse at adjacent border posts resulting in duplication of documentation and clearance procedures.

A very significant factor is that of delays, which occur throughout the Northern Corridor logistic chain. Delays along the Northern Corridor are substantial with severe financial consequences. The Analytical Comparative Transport Cost Study along the Northern Corridor, carried for TTCA-NC by CPCS TRANSCOM Ltd in 2010 analyzed the total logistics cost structure to major destinations along the Northern Corridor. A major finding was direct costs of delay contributed to more than 2% of the total logistics cost, while hidden costs of delay along the Northern Corridor constitute over 40% of total logistics costs, as depicted in the Table 9 below.

**Table 9 : Northern Corridor Total Logistics Cost Structure**

Costs	Mombasa Nairobi	Mombasa Kampala	Mombasa Kigali	Mombasa Bujumbura	Mombasa Goma	Mombasa Juba	Weighted Distance Mean	% of Total Logistics Costs
% of Variable Costs	58%	55%	65%	66%	68%	66%	64%	
Total VOC per ton-km	0.129	0.145	0.094	0.090	0.100	0.149	0.113	
Seafreight Shipping Charges <sup>3</sup>	1,700	1,700	1,700	1,700	1,700	1,700	1,700	7.9%
Port Handling Charges	240	222	222	222	222	222	223	1.0%
Container Freight Station Charges	380	n.a	n.a	n.a	n.a	n.a	20	0.1%
Shipping Lines Charges	880	1,990	1,990	1,990	1,990	1,990	1,932	8.9%
Inland Freight Charges	1,300	3,400	6,500	8,000	9,500	9,800	7,378	34.1%
C&F Agents Charges +VAT	300	650	650	750	900	485	664	3.1%
Direct Costs of Delays	295	334	445	545	555	502	477	2.2%
Indirect (Hidden) Cost of Delays	4,079	6,451	7,635	8,289	10,807	11,620	8,809	40.8%
<b>Total Logistics Costs</b>	<b>9,174</b>	<b>14,747</b>	<b>19,143</b>	<b>21,496</b>	<b>25,674</b>	<b>28,309</b>	<b>21,612</b>	<b>100%</b>

Source: Analytical Comparative Transport Cost Study along the Northern Corridor; CPCS TRANSCOM (2010)

The study cited above also identified the major causes of delays, notably:

- (i) Frequent breakdowns of the SIMBA system affect the processing of entries at the document processing centre (DPC) at the Mombasa port and at release points, as release and removal are done online.
- (ii) Cargo scanning causes delays, especially when scanned containers are then subjected to 100% verification;
- (iii) Inadequate staffing levels, especially at cargo release points cause delays;
- (iv) Delays occur in acceptance of entries as a result of delays associated with submission of payment information by banks;
- (v) Unreliable internet connectivity both at customs and business entities delay the processing of entries and release of cargo;
- (vi) Over control of transactions resulting checking and rechecking of the same information by several different sections of Customs, as a result of document checks being based on transactions rather than risk management;
- (vii) Delayed lodgment of declaration and submission of supporting documents, as well as poor quality of declarations made importers, which result in rejection and queries, cause delays;

<sup>3</sup> Singapore-Mombasa (Products: Batteries)



- (viii) There are long delays associated with transfer of cargo from the port to CFSs; and
- (ix) Along the way, delays are attributed to a number of causes that include: duplicated procedures at border posts; Customs check points; Police check points; weighbridges

## **Chapter 3: Lessons Learnt From 2007–2011 Strategic Plan**

### **3.1. Introduction**

TTCA-NC adopted its first Five-Year Strategic Plan for period 2007 to 2011. That strategic plan had corporate goals and objectives, as well specific objectives and outputs for each of the programmes. In all, there were five programmes, namely: Private-Public Partnership Facilitation; Transport Policy and Planning; Customs and Transit Facilitation; Infrastructure Development and Management; and Monitoring, Evaluation and Capacity Building. An evaluation of the first strategic plan has been carried out and achievements are presented in this Chapter.

### **3.2. Attainment of Corporate Goals and Strategies**

At the corporate level, the 2007-2011 Strategic Plan had four strategic objectives, namely:

- (1) Development of opportunities and incentives aimed at encouraging investments and participation of the private sector in the corridor;
- (2) Harmonization of policies and legal frameworks for facilitation of trade and transport
- (3) Improvement of transport infrastructure (roads, railways, pipelines, ports, inland waterways and terminals) as well as transport and communications services; and
- (4) Knowledge management and performance monitoring

The evaluation concluded that the above corporate objective were partially fulfilled and remain pertinent to the organization

In the case of the first corporate objective, i.e. the development of opportunities and incentives aimed at encouraging investments and participation of the private sector in the corridor, there was need to realize two outputs, namely: (i) Review and harmonization of policies and regulations of the member states in the area of investment promotion and public-private partnerships; and (ii) Identification of investment opportunities and marketing them. The first output was not accomplished for reasons cited under Section 3.3.1. The Secretariat has however been able to prepare a concept note and is soliciting funding in pursuit of this output.

As regards the second output, the Secretariat has made substantial progress, as the scoping study for the NCSDP has identified a number of anchor projects that can spur economic growth and development in the Northern Corridor countries, as well as lead to the improvement of the corridor transport infrastructure. There is, however, the need to put in place necessary institutional mechanisms to drive the spatial development agenda.

As far as the second corporate objective is concerned, that is harmonization of policies and legal frameworks for facilitation of trade and transport; some progress was made. In this regard, transport policies of the member states were reviewed, leading to the adoption of a common policy framework, by the Member States in December 2011. In addition to policy harmonization there are quite a number of outputs that remain outstanding. They include: implementation of the CD-COM as a regional instrument; full implementation of the Regional Bond Guarantee Scheme

along the corridor; One-stop Border Post operations; establishment and making operational National Trade and Transport Facilitation Committees; to mention the key ones.

With regard to the third corporate objective relating the improvement of transport infrastructure facilities, it is worth noting that the member States have contributed a lot toward the attainment of this objective. In all the countries there was tremendous effort, resulting in substantial improvement in corridor transport infrastructure and facilities. In addition, Northern Corridor countries have embraced institutional reforms for the better management and financing of road infrastructure, through the creation of autonomous road authorities and road maintenance funds.

While most of the Northern Corridor road networks have been rehabilitated or reconstructed, vehicle overload control systems, to protect the road network from early failures, have not been put in place in all the countries. As far as rail transport is concerned, initiatives have also been made toward the revival of the rail sector, through concession of the existing services and pursuit of the development of missing links. The expansion of the Mombasa port capacity through dredging of the shipping channel and construction of the second container terminal are flagship projects that commenced during the implementation of the strategic plan. These efforts need to be consolidated through the successor strategic plan.

The fourth corporate objective, i.e., knowledge management and performance monitoring was to be attained through the Monitoring, Evaluation and Capacity Building programme. This programme was to act as the link with all the other programmes by facilitating joint planning and monitoring of activities, identification of crosscutting themes and capacity building needs. Thus, this programme was to support the attainment of all the strategic objectives and provide an advisory function to the Executive Secretary. However, the programme was under-resourced in terms of the personnel and could not fully attain the planned outputs, which included:

- (i) Establishment of mechanisms for monitoring all aspects of the corridor performance;
- (ii) Establishment of internal mechanism for monitoring performance across TTCA-NC programmes; and
- (iii) Provision of regular performance feedbacks to other programme heads, the Executive Secretary and the stakeholders in general.

As a consequence, it has not been possible to track the impact of the implementation of the Strategic Plan in terms of qualitative and quantitative changes in corridor performance and efficiency, due to lack of information, which would otherwise have been generated from the activities of the Monitoring and Evaluation programme.

### **3.3. Realization of Individual Programme Objectives and Outputs**

Findings with regard to the realization of the objectives and outputs of the various programmes also came to a similar conclusion. While some progress was made toward the attainment of specific programme objectives and outputs, a lot remains to be done. Moreover, several of the programme objectives and outputs are still relevant and as such it has been found necessary to roll them over to the successor strategic plan. Herein below are highlights with respect of each of the five programmes.

### **3.3.1. Private-Public Partnership Facilitation**

The main objectives of this programme were to: (i) Provide an enabling policy and legal framework for the promotion of public, private partnerships in major infrastructure projects; (ii) Adopt marketing strategies to enhance private sector participation in investments along the Northern Corridor; and (iii) Enable the private sector to participate in policy making and implementation. The following were the key findings of the evaluation with regard to the level of realization of the objectives and outputs of this programme:

- (i) Most of the Northern Corridor countries are yet to develop the necessary PPPs Policy frameworks. Hence, no significant progress was made toward the adoption of common policies, investments codes and legal instruments by member States. In addition, necessary institutional capacities to initiate and manage PPP projects are still lacking, as PPP Units are yet to be established in most countries.
- (ii) Whereas a Scoping Study for the Northern Corridor Spatial Development programme was completed in 2010, which identified the key anchor projects, marketing of the projects and the development corridor concept as a whole requires necessary institutional framework to be put in place. This requires much more funding than currently available to TTCA-NC.
- (iii) Although a Northern Corridor PPP Technical Committee has been formed, the private sector is not yet fully mobilized to make useful contribution to policy formulation and implementation.

### **3.3.2. Transport Policy and Planning**

The main objectives of this programme included: (i) to achieve and implement uniform transit transport policies and regulations by the member States; (ii) to enhance policy harmonization between TTCA-NC and other regional organizations having similar mandates; (iii) to maintain a transport data-base to aid planning, policy formation, as well as monitoring and evaluation; and (iv) to integrate relevant cross-cutting issues in member States' policies.

Here are the key findings of the evaluation:

- (i) Following the review of transport policies of the member states, in order to identify areas requiring harmonization, a Draft Common Transport Policy Framework was developed in 2010. This was then subjected to a workshop, held in August 2011 that was attended by experts from the member States, leading to the adoption of a common Transport policy framework, by the Member States in December 2011.
- (ii) Domestication of the provisions of the new agreement signed in 2007, into national laws and regulations could not be pursued as this agreement is yet to come into force, because sufficient number of countries has not ratified it. Only two out of the five member states has ratified the agreement. A minimum of three ratifications are required for the agreement to come into force.
- (iii) Cooperation agreements with EAC and COMESA had been entered into prior to the launch of the strategic plan. A cooperation agreement with CICOS was signed in

2011, while negotiations were initiated with the International Conference on the Great Lakes Region (ICGLR), PMAESA and with UNECA.

- (iv) Northern corridor transport observatory (data-base) was developed and key performance indicators or benchmarks were identified. Attempts were also made to establish sustainable data collection mechanism, including automatic electronic interfaces. This requires signing agreements with a number of organizations; such are Revenue Authorities and Port Authorities, which is still being pursued.
- (v) Cooperation with development partners yielded the Analytical Comparative Transport Costs Study, funded by the African Development Bank, which was completed 2010.

### **3.3.3. Customs and Transit Facilitation**

The main objectives of this programme were: (i) removal of non-physical barriers to transit traffic along the Northern Corridor; (ii) establishment of an efficient customs transit regime; and (iii) development and use of ICTs to expedite movement and exchange of information between stakeholders. Here are the key findings of the evaluation:

- (i) CD-COM is still not being applied as a regional single goods declaration document, as national administrations still use their different versions of the instrument. However, a study leading to the implementation of the CD-COM as a regional instrument will soon commence.
- (ii) The Regional Customs Bond Guarantee(RCBG), also referred to as Regional Customs Transit Guarantee (RCTG), was piloted along the Northern Corridor in collaboration with COMESA and is ready for roll out along the corridor, provided that the following actions are taken:
  - DR Congo ratifies the RCBG Agreement and designates a National Surety to speed up implementation;
  - Customs administrations of Burundi, Kenya, Uganda and Rwanda speed up the process of incorporating RCTG operation in their national business processes and procedures; and also interface their IT systems with RCTG-MIS;
  - Kenya Revenue Authority reviews the configuration of SIMBA system to automate the processing of RCTG CARNET issued in Burundi, Rwanda and Uganda on the inward transit;
  - Provision of capacity support to Customs Administrations, as well as Clearing and Forwarding Agents in the implementation RCTG CARNET; and
  - Additional promotional activities to create and popularize the RCTG CARNET
- (iii) Agreement on the free movement of private cars within the framework of the Northern Corridor was not achieved. However, among the EAC member States, which are also members of TTCA-NC, temporary importation of private vehicles is facilitated within the framework of the EAC Customs Management Act. There will be need to put in place a system that includes DR Congo and South Sudan.
- (iv) Some progress was made toward the establishment of one-stop border posts. Feasibility and engineering design studies were done for MALABA and BUSIA (Kenya/Uganda); KATUNA/GATUNA (Uganda/Rwanda); and MIRAMA

HILLS/KAGITUMBA (Uganda/Rwanda) border posts. In the case of MALABA, joint controls for some commodities are being carried out by Kenyan and Ugandan Customs administrations.

- (v) Feasibility and design studies for KASINDI/MPONDWE; GISENYI/GOMA and UPPER AKANYARU (Rwanda/Burundi) border posts, have been completed.
- (vi) National Trade and Transport Facilitation Committees were established in Rwanda and Uganda, although, their operations could not be sustained for lack of resources. A study looking into the modalities of setting up and the most sustainable way of funding operations of the national committees will be undertaken in 2012.
- (vii) Limited or no progress has been made with regard to the following initiatives:
  - The proposed standard road transport contract document has not been developed
  - Implementation of a regional cargo tracking system has not taken off. Attempts to implement electronic cargo tracking systems (ECTS) by national customs administrations have ran into difficulties in Kenya, but positive steps are being taken in Uganda and Rwanda
  - Adoption of a code of conduct and ethics for customs and persons involved in the provision of transit services and management of transit operations. The idea of developing code of conduct and ethics specifically for the Northern Corridor appears to be shifting in favor of promoting implementation of the one developed by COMESA
- (viii) With regard to the development and enhanced use of ICT in cargo handling and clearance processes, it is worth noting that most customs administrations have modernized their systems and are using either ASYCUDA-World (Burundi, DR Congo, Rwanda, and Uganda) or SIMBA 2005 (Kenya). The national systems are able to exchange data through the RADDEX interface.
- (ix) Similarly, the Mombasa port introduced the KILINDINI Waterfront Terminal Operations System (KWATOS), which is interfaced with the Kenya Revenue Authority System (SIMBA 2005).

### **3.3.4 Infrastructure Development and Management**

The objectives of this programme were: (i) the performance of the Northern Corridor transport infrastructure and facilities improved; (ii) Sustainable investment schemes for the Northern Corridor infrastructure developed; and (iii) Effective mechanisms for management and maintenance of the corridor infrastructure established. Planned outputs during the strategic plan 5-year period were the following:

Northern Corridor Infrastructure Master Plan Developed  
Northern Corridor highway network upgraded and expanded  
Institutional reforms for road management and financing enhanced  
Common classification system for roads, as well as a common standard for road design, construction and maintenance is adopted.



The following were the key finding of the evaluation:

- (i) The Northern Corridor Infrastructure Master Plan study was finalized and adopted by the Executive Board in 2011. However, strategies for implementation of the priority projects included in the Master Plan need to be adopted.
- (ii) Most of the Northern Corridor countries implemented major road rehabilitation and reconstruction projects. In all the Northern Corridor countries now have autonomous road authorities and Road Maintenance Funds.
- (iii) Common road classification, design and maintenance standards have been proposed in the Infrastructure Master Plan. Legalization will be required through domestic legislation in each country.
- (iv) With regard to railways, the performance of the Kenya-Uganda rail concession was dismal, during the period under review. However, there have been new developments, whereby the concession has been restructured and a new management team put in place. A loan agreement has been signed with a consortium of financing institutions and agencies for US\$ 164 million, out of which US\$ 49 million has been disbursed. In addition RVR shareholders are to raise equity capital of US\$ 82 million, while another US\$ 41million will be reinvested from RVR cash flows. Meanwhile, Uganda embarked on studies for rehabilitation and the rehabilitation of the KAMPALA-KASESE and TORORO-PAKWACH lines, which were closed in the mid 1990s. As far as development of new rail links is concerned, Kenya, Uganda and Rwanda established a joint commission for the development of standard gauge railway, initially from Mombasa to Kampala, with possibility of later extensions to Rwanda, Burundi and DR Congo. Uganda was also reported to have entered into an MOU with the Republic of South Sudan to jointly promote the extension of the railway line from Pakwach in Northern Uganda to Juba.
- (v) As concerns pipelines, the planned project for the extension of the oil pipeline from ELDORET in western Kenya to Kampala stalled, following the discovery of oil in Uganda, which has necessitated a rethink of the project.
- (vi) With regard to the upgrading of border post infrastructure, the following progress was made:
  - For MALABA, BUSIA, GATUNA/KATUNA AND KAGITUMBA/MIRAMA HILLS, feasibility studies were carried and implementation business plans were made. Long procurement procedures under the World Bank funded East African Trade and Transport Facilitation project have, however, seriously delayed the implementation of the projects. It is understood that Trade Mark East Africa is to provide additional funding for these border posts.
  - Feasibility and engineering design studies for other Northern Corridor border posts of AKANYARU HAUT (Rwanda/Burundi), MPONDWE/KASINDI (Uganda/DRC) AND RUBAVU/GOMA (Rwanda/ DRC) have been carried out with ADB (ADF) financing.

- The construction of the GASENYI/NEMBA (Burundi/Rwanda) border post was completed as part and parcel of the project for the reconstruction of the KICUKIRO – NEMBA/GASENYI–KIRUNDO road, funded by AfDB.
- (vii) The installation of a sub-marine fiber optic cable linking East Africa to the rest of the world also improved communications among the Northern Corridor countries. However, not much was done to improve the communication network to facilitate navigation, search and rescue on the inland waterways.

### **3.3.5. Monitoring, Evaluation and Capacity**

The objectives of the Monitoring, Evaluation and Capacity Building Programme were: (i) to ensure that TTCA-NC's programmes and activities are planned and monitored coherently in order to efficiently achieve the organization's mandate and mission; (ii) to ensure that TTCA-NC attains necessary implementation capacity; and (iii) to ensure that relevant ICT solutions are identified and applied across TTCA-NC operations. In line with these objectives, planned outputs of this programme during implementation of the 5-year strategic plan were as follows:

Development of monitoring and evaluation plan  
 Progress towards achievement of TTCA-NC mandate and mission monitored  
 Integrated performance monitoring established into all TTCA-NC programmes  
 Quality assurance systems and benchmarks established  
 Cross cutting issues integrated and monitored across programmes  
 Capacity building needs identified  
 Relevant ICT needs and applications identified

The following were the key findings of the evaluation:

- (i) A system for monitoring the performance of all aspects of the corridor was established, within the framework of the Northern Corridor Observatory. However, sustained data collection proved a big challenge and hence both qualitative and quantitative performance indicators could not be tracked.
- (ii) Limited internal performance monitoring was carried out through regular meetings involving the Executive Secretary and the Heads of Programme. In addition performance reports were prepared twice a year and presented to the Executive Board.
- (iii) Performance feedback to stakeholders was to be through posting information on the TTCA-NC website and publication of monthly E-Newsletter. Unfortunately the website was not regularly updated and the production of the E-Newsletter was not sustained, mainly due to loss of personnel.
- (iv) Systematic monitoring of the performance of competing corridors has not commenced. Nevertheless, the Analytical Comparative Transport Cost study that was completed in 2010 has provided the basis for this exercise to be carried out on a regular basis.



### **3.4. Conclusions and Recommendations arising from the Evaluation of the 2007-2011 Strategic Plan**

#### **3.4.1. Conclusions**

In summary, it can be said that the objectives and expected outcomes of the strategic plan were only partially realized. This was mainly due to lack of adequate capacity for execution of the programmes, which was a consequence of staffing and funding gaps. In this regard, a number of lessons were also drawn, namely:

- (i) For a successful implementation of the strategic plan, the Secretariat should have both the human and financial capacity. As funding from the member States is often not sufficient, mobilization of extra-budgetary resources is essential for the implementation of programme activities.
- (ii) The private sector in the Northern Corridor countries is still very weak and not organized, in comparison with Southern African Region, for example. Hence, a lot more still has to be done in order for the private sector to fully participate in policy advocacy and to contribute to the removal of barriers along the Northern Corridor.
- (iii) Generally, there is still very low level of awareness and appreciation of the benefits of TTCA-NC agreement and programmes, especially among some of the public authorities in the member States, resulting in slow and low levels of implementation of the various protocols, as well as decisions of the TTCA-NC policy organs. The delay in the ratification of the 2007 Agreement by the majority of the member States could be due to this general lack of awareness and appreciation among some of the public authorities.
- (iv) Appropriate level of staffing will be required in order to establish an effective monitoring and evaluation mechanism.
- (v) There is need TTCA-NC member States first have adopted PPP policies and regulatory framework, as well as to establish appropriate Units to initiate and manage PPPs projects.
- (vi) Positions falling vacant remained unfilled for long, implying that there is need to streamline and simplify TTCA-NC recruitment mechanism.

#### **3.4.2. Recommendations and the Way Forward**

In developing the new strategic plan the following pertinent observations arising out the evaluation of the previous strategic plan have been borne in mind in developing the new strategic plan:

- (i) A number of the objectives and outcomes which were either partially or not attained remain major goals of TTCA-NC and as such, they be rolled over into the next Strategic Plan. They include:
  - To provide of enabling policy and legal framework for the promotion of public private partnerships in major infrastructure projects, such as adoption of common PPP policies

- To enable the private sector to participate in policy making and implementation
  - To achieve harmonization of transit transport policies and regulations by the member States
  - To remove of Non-tariff barriers to the flow of traffic and goods along the corridor
  - To remove physical barriers to traffic through expansion of Northern Corridor transport infrastructure (maritime and inland ports, roads, railways, pipelines, inland waterways, border posts and related facilities)
  - To establish and maintain an effective corridor performance monitoring system and benchmark with good practices from other corridors
  - To establish effective monitoring and evaluation system at the Secretariat to monitor programme implementation and evaluate impact of the programmes on enhancing efficiency of the corridor
  - To strengthen collaboration with other regional organizations and development partners
- (ii) To the above objectives, the following new objectives have been included in the successor strategic plan:
- To enforce compliance with treaty provisions and implementation of the decisions and directives of the policy organs
  - To harness transport technologies to make the Northern Corridor a ‘smart’ corridor
  - To extend membership to include South Sudan and integrate the new country into the Northern Corridor logistics chain
  - To expand revenue base by reviewing the levy currently collected at the Mombasa port and investigating the possibility of establishing appropriate levies on intra-state cargo movements using the Northern Corridor infrastructure
  - To domesticate the provisions of the Northern Corridor Agreement and Protocols into national laws and promote public awareness of the benefits of the Agreement/Protocols
- (iii) There will be need to review TTCA-NC organizational structure to incorporate the monitoring and evaluation function, as well knowledge management and public relations functions.
- (iv) Review recruitment procedure to enable the Secretariat to rapidly fill positions falling vacant
- (v) Explore possibilities of extending the levy to cover intra-regional trade; not to rely solely on levy on transit trade, to raise revenue.
- (vi) There is need to build capacity at the member States level to facilitate implementation of agreements and protocols, as well as the decisions of the TTCA-NC policy organs.
- (vii) For a successful implementation of the 2012-2016 Strategic Plan, there is need for the remaining member States should ratify the new agreement as a matter of urgency in order not only to give legal effect to the expanded scope and mandate of TTCA-NC, but also to send a strong signal to development partners and to encourage them to support TTCA-NC programmes.

- (viii) Technical assistance will be required for the execution of some of the programmes, such as the Northern Corridor Spatial Development Programme.

**PART II:**  
**THE STRATEGIES FOR 2012–2016**

## **Chapter 4: Vision, Mission, Core Values and Goals**

### **4.1 Vision and Mission**

#### **4.1.1 Vision**

**"To be a seamless Transport Corridor with the most efficient trade and transport logistics chain in the Region".**

#### **4.1.2 Mission Statement**

The mission of the TTCA-NC is derived from its core mandate, which is to remove obstacles to the movement of goods and traffic along the corridor by establishing efficient trade and transport logistics system, through harmonization of transport policies; simplification of trade procedures; promotion of private sector investments; and the development of transport infrastructure and facilities." Thus, the mission statement is:

**"To transform the Northern Corridor into an economic development corridor that offers internationally competitive transit transport services and promote regional integration".**

### **4.2. Core Values of the Organization**

Besides the mission and vision statements, TTCA-NC has also adopted a number of motivational values. Top among the values cherished by the organization, are:

- (i) Focus and Direction;
- (ii) Integrity;
- (iii) Collaboration;
- (iv) Respect for Diversity;
- (v) Creativity; and
- (vi) Team Achievement.

Other important values include: Listening, Trust and Mutual Respect; Shared Leadership and Responsibility; and Continuous Learning.

### **4.3. Goals of the Organization**

The TTCA-NC will focus on the attainment of the following goals during the five year period of the strategic plan:

- (i) Ratification and implementation of the 2007 Agreement
- (ii) Expansion of membership to include South Sudan
- (iii) Major border posts transformed into one stop border posts
- (iv) Capacities to initiate and manage PPPs in transport infrastructure projects developed in all the member states
- (v) Implementation of the Northern Corridor Spatial Development Programme
- (vi) Transport policies and regulations of the member States harmonized
- (vii) TTCA-NC Transport Observatory modernized and fully operational
- (viii) All trade and transport facilitation instruments agreed by partner states implemented

- (ix) Significant reduction in NTBs along the corridor
- (x) Integration of transport infrastructure facilities and services
- (xi) Revival of rail and inland waterways transport
- (xii) Expansion of pipeline capacity and extension of pipeline further inland
- (xiii) Institutional strengthening and capacity building (Review of structure to incorporate missing functions; training, liaison offices in countries)
- (xiv) Full private sector participation in policy formulation and programme implementation
- (xv) Trade and transport facilitation committees to become operational in all the member States
- (xvi) Staff establishment reflected in the TTCA-NC structure fully realized
- (xvii) Diversification of sources of funding for TTCA-NC activities
- (xviii) Enhancement of collaboration with RECs and IGOs in the region through smart partnerships
- (xix) Establishment of IT 'smart' corridor

## **Chapter 5: SWOT Analysis**

### **5.1 SWOT Analysis**

SWOT Analysis which entailed the internal assessment of the TTCA-NC, as well as a scan of the external environment was carried out and the outcome of the analysis is outlined in the sections below.

#### **5.1.1 Strengths**

One of the strengths of the Northern Corridor is its strategic location. The port of Mombasa on which the corridor is anchored is at the entry/exit point for international trade and transport of goods coming into and originating from the East and Central Africa region. The corridor plays a crucial role in the economies of several countries in this region and serves one third of all landlocked countries in Africa. In addition, the corridor cuts across economic spheres of a number of Regional Economic Communities (EAC, COMESA, IGAD) that appreciate the significance of the corridor and do collaborate with TTCA-NC in the implementation of programmes.

The strategic advantage of the Northern Corridor is further fostered by the existence of the legal framework in the form of the Northern Corridor Agreement, which spells out the commitment of the contracting parties to collaborate in the development of the corridor infrastructure facilities, facilitate transit and to eliminate customs fraud and tax evasion.

The Northern Corridor also has the pedigree of a well established management structure, which has been in existence since 1988 and which has served as a model of excellence for the establishment of other corridor management organizations in Africa. The Northern Corridor Secretariat has accumulated a wealth of experience in handling arising transit transport facilitation issues that arise from time to time.

#### **5.1.2 Weaknesses**

The main weakness of the TTCA-NC, which has often been pointed out in several forums, is the limited mandate to enforce compliance with treaty provisions and implementation of the decisions and directives of the policy organs. Many have pointed out that TTCA-NC should be given the legal force of an authority in the real sense. In this regard, the Ministerial Conference on Northern Corridor Logistics, held in Mombasa in 2009, discussed the possibility of transforming TTCA-NC into a Corridor Management Agency with appropriate powers. An analysis of the merits and demerits of such an agency needs to be undertaken.

The other weakness often pointed out is the inadequacy of the TTCA-NC's structure, as it does not provide for participation of other key agencies of government in policy formulation, decision making and execution of programmes. In addition, there is limited participation of the private sector in influencing policy formulation and the implementation of programmes.

As far as the Secretariat is concerned it has been pointed out that missing functions, such as public relations, knowledge management and sharing, monitoring and evaluation may be partly to blame for the limited awareness about the TTCA-NC and the slow or non implementation of the Northern Corridor Agreement. In addition, the funding received by the Secretariat's from the



member States is usually not adequate. Thus the Secretariat lacks the human capacity and financial resources to enable it to adequately fulfil its mandate.

Last but not least, the Secretariat is yet to get to grips with cross-cutting issues, such as environment, road safety, HIV/AIDs and Gender. This could also be due to lack of human capacity to mainstream such issues into its programming.

### **5.1.3 Opportunities**

A number of opportunities were identified during the working session jointly held with the Secretariat. First and foremost is the existence of strong political will to reduce the cost of doing business using the Northern Corridor, through the improvement of infrastructure and the elimination of NTBs. Because of this political will, development partners are willing to support infrastructure improvement projects and to collaborate with TTCA-NC in the removal of other bottlenecks. This is further reinforced by the willingness of other regional organizations, such as the EAC, COMESA, IGAD, ICGLR and UNECA to partner with TTCA-NC in pursuing their regional integration objectives.

Most of the Northern Corridor countries are rich in natural resources that include minerals, fertile agricultural land, forests, and large water bodies. This endowment with natural resources provides opportunities for spatial development planning, whereby the investments in the exploitation of the natural resources lead to trade expansion and the improvement or development of Northern Corridor transport infrastructure and facilities.

As indicated earlier, the Northern Corridor already serves about one third of all the land locked countries in Africa and yet it still has opportunities to expand membership to include South Sudan, Ethiopia and even Tanzania, as the Arusha, Mwanza and Musoma regions of Tanzania tend to rely more on the port of Mombasa to ship their products.

Some of the Regional Economic Communities, notably COMESA and the EAC, whose economic space is traversed by the Northern Corridor have already adopted a number of trade and transport facilitation instruments, which if properly implemented along the Northern Corridor would lead to greater efficiency and the reduction in trade and transport logistics costs. This is therefore an opportunity that TTCA-NC should exploit. Moreover, EAC, COMESA and SADC now have a tripartite forum, whose aim is not only the establishment of a wider regional free trade area, but also to harmonize policies, as well as trade and transport facilitation instruments. For, example, under this arrangement an EAC/COMESA/SADC wide vehicle overload control regulations have been agreed. Further opportunities exist to collaborate with the RECs in the pursuit of One-Stop Border Post (OSBP) operations, Integrated Border Management (IBM) and Electronic Single Window System (E-SWS).

Already in existence is the Northern Corridor Stakeholders' Consultative Forum, bringing together public and private actors to deliberate on operational matters pertaining to the Northern corridor logistics chain. TTCA-NC has the opportunity to institutionalize this forum and to bring it to the level of the Maputo Corridor Logistics Initiative (MCLI) and the Walvis Bay Corridor Group (WBCG). These two are probably the best private sector led initiatives working not only to promote the use of the corridors, but do influence policies and contribute to the removal of impediments to the flow of traffic.

Advancements in ICT provide the TTCA-NC with opportunities to introduce and promote intelligent transport systems, such as geographic information system (GIS) for transport

planning and geographic positioning system (GPS) for vehicle and cargo tracking. Other ICT based systems include: electronic vehicle overload control; and the ESWS already mentioned above, aimed at re-engineering business processes to minimize use of paper documents in cargo clearance. Increased use of such systems would enhance corridor efficiency and contribute significantly toward the ultimate goal of reducing the cost of doing business and poverty reduction.

The customs reform and modernization programme, whereby most of the Northern Corridor customs administrations have computerized their cargo clearance and tax payment systems is already the right step in the utilization of available ICT technologies. Opportunity of linking all the systems in order to come up with an IT corridor exists and should be exploited.

Finally, opportunity exists for all agencies operating at the port and the major border posts, to adopt 24-hour working regime, seven days a week. TTCA-NC would like to seize the opportunity and pursue this initiative with a view to ensuring that it is fully realized.

#### **5.1.4 Threats**

One of the findings arising from the evaluation of the previous strategic plan relates to the low level of awareness in the member States, not only about TTCA-NC and its activities but also the provisions of the Northern Corridor Agreement. This low level of awareness, it is feared, could be partly responsible for the low level implementation of the Agreement. Lack of awareness could also be to blame for the unilateral action often taken by some stakeholders, especially government agencies, which clearly contravene Article 4 (j) of the Northern Corridor Agreement. The said article obligates a contracting party to “carry out mutual consultations with other contracting parties, prior to effecting any changes in the laws, regulations and procedures concerning the movement of persons, vehicles and goods, except in an emergency”. Quite often, public agencies such as Revenue Authorities introduce new requirements in disregard of this article, which effectively end up becoming NTBs. When coupled with the limited mandate to enforce the provisions of the Agreement, as well as the decisions of the policy organs, lack of awareness constitutes a real threat to the existence of the organization.

Multiplicity of organizations with similar mandates and at times conflicting initiatives in the region confuses the operational space of TTCA-NC. A case in point is the regulations governing the licensing of the means of transport engaged in the carriage interstate trade transit goods destined to or originating from overseas markets. Whereas under COMESA the COMESA Carrier License liberalized trucking in the entire COMESA region with a view to enhancing competition, under the EAC, the regional Customs Management Act has segmented the licensing of trucks. A vehicle licensed to carry transit goods, for example, cannot carry interstate traffic, that is imports and exports originating in one Member State and destined to another member State. The definition of transit as construed by COMESA and TTCA-NC differs from that of the EAC. While all Northern Corridor Countries are member States of COMESA, the Democratic Republic of Congo is not a member of the EAC. This therefore requires a very delicate balancing act on the part of the TTCA-NC, as far as collaboration with other regional institutions is concerned.

Disparities in member States policies, laws, standards and regulations relating and transport and the development of infrastructure pose another challenge to the TTCA-NC. In addition, disparities in fiscal policies of member States, lead wide disparities in prices of goods resulting in smuggling or dumping of certain goods. As the prevention of customs fraud and tax evasion is

one of the tenets of the TTCA-NC, this particular issue poses another serious challenge to TTCA-NC.

Different interests of developing partners sometimes lead to conflicting priorities and programming, as well as some form of competition in implementation of projects and programmes. Balancing priorities of the TTCA-NC with the interests of the developing partners should therefore be part of the strategy. This will also be essential when dealing with the threat of inadequate funding of TTCA-NC activities, programmes and projects.

Competition offered by other corridor, such as the Dar es Salaam Central Corridor and the potential competition to be offered by the Lamu Port South Sudan Ethiopia Transport (LAPSSET) corridor, while a threat, offers opportunities for the TTCA-NC and Northern Corridor service providers to improve their levels of service.

## **Chapter 6: Strategic Objectives & Program Objectives**

### **6.1 SO1: Development of opportunities and incentives for increased private sector investment and participation in the Northern Corridor**

This Strategic Objective aims at directly catalysing the transformation of the Northern Corridor into an Economic Development Corridor. It has increasingly become apparent that there is potential of achieve economies of scale by “crowding in” synergistic investments related to transport infrastructure systems and other sectors such as mini such as mining, value addition in agriculture, manufacturing, Tourism, Energy and service sectors. The expected cross-border investments should provide additional impetus for the improvement of corridor efficiency by removing bottlenecks to the free flow of trade and traffic.

This strategic Objective will be realised notably through the Public-Private Partnership Investment Promotion programme and Infrastructure Development and Management programme. The program objectives to achieve this Strategic Objective are to:

- Provide an enabling policy and legal framework for the promotion of private sector participation in the provision of infrastructure facilities and services.
- Implement the Northern Corridor Spatial Development Programme, including marketing the anchor projects identified in the NCSDP Scoping Study and Infrastructure Master Plan.
- Coordinate marketing of the sub-region.
- Establish a macro-economic and investment environment that is fully supportive of private sector participation and Mobilisation of funding for anchor projects:

### **6.2 SO2: Expansion, modernization and improvement of Transport Infrastructure and service relating to road, rail, pipeline, ports, inland waterways, Border Posts, terminals, communication systems and other related facilities**

This Strategic objective aims at enhancing the efficiency of the NC Transport Infrastructure and Facilities consisting of road, rail, pipeline, inland waterways, Border Posts, terminals and communication systems. The program objectives to achieve SO2 are to:

- Coordinate the implementation of the Northern Corridor Transport Infrastructure Master Plan in accordance with the priority projects for the period 2012-2016
- Promote the upgrading of Border Posts Infrastructure to support OSBP operations.
- Promote multimodal and intermodal transport operations.
- Promote development of eco-efficient Transport Systems.
- Harmonise norms and Standards for Transport Infrastructure.
- Implement a regional system for vehicle overload control
- Promote safety in all transport modes.
- Promote Establishment of efficient and interoperable Communication Systems.

### **6.3 SO3: Harmonization and Streamlining of policies and legal framework for transport and Trade facilitation**

This strategic objective aims at harmonization of transport policies and regulations as well as harmonization and implementation of instruments for customs and trade facilitation. This Objective aims at addressing the challenges of integrating the agreed policies in the national legislation of the Member States.

This strategy also embraces the need to use the corridor, not just as a means of access to international markets, but also as a facility for enhancing regional integration and promotion of regional trade. To that extent, this strategic objective provides a mechanism for linking up and ensuring coherence between the initiatives of TTCA-NC with those of organizations that share the same objectives. These include the Tripartite (East Africa Community [EAC], Common Market for Eastern and Southern Africa [COMESA] & Southern Africa Development Community [SADC]).

For the achievement of this strategic objective, at least two programmes of the TTCA-NC secretariat, notably the Transit and Transport Policy and Planning Programme and the Customs and Trade Facilitation programme need to work closely together to ensure coherence between transport and trade policies among member states. The main program objectives to achieve SO3 are to:

- Harmonize transport policies and regulations of the Member States relating to Rail, Road, inland waterways and Pipeline.
- Promote compliance with the provisions of the Northern Corridor Agreement and reduce the cost of doing business in the Trade and Transport logistics chain.
- Enable the Private Sector to participation in policy making and implementation of activities relating to trade and transport facilitation.
- Harness ICTs and transport technologies to make the Northern Corridor a ‘smart’ corridor.
- Promote industry service standard and encourage self regulation.
- Promote harmonisation of customs documentation and procedures to enable Northern Corridor Member States secure taxes on imported goods at the Mombasa Port.

### **6.4 SO4: Enhanced knowledge management and Capacity Building**

This strategic objective aims at promoting data collection, analysis and sharing knowledge on best practices with partners and stakeholders. It is also aimed at capacity enhancements both at the Secretariat and Member States level. The program objectives to achieve SO4 are to:

- Enhance the efficiency and effectiveness of TTCA-NC.
- Build capacity at the Secretariat and Member States level to facilitate implementation of agreements, protocols and decisions of the policy organs.
- Enhance smart partnerships with RECs and IGOs whose spheres of influence is traversed by the corridor.
- Disseminate information to enhance public awareness of the Northern Corridor Agreement and Protocols; the programmes and benefits.

## **6.5 SO5: Performance Monitoring and Evaluation**

This strategic objective aims at monitoring implementation of the strategic plan with a view to identifying areas requiring improvement in relation to desired targets or benchmarks. It is also aimed at diagnosing problems and bottlenecks along the corridor and taking necessary decisions during implementation of projects and programmes. In addition this SO5 will provide the basis for a systematic assessment of the impact of ongoing and completed interventions, reflecting both qualitative and quantitative changes. The program objectives to achieve SO5 are to:

- Establish and maintain an effective corridor performance monitoring system and benchmarks.
- Establish effective monitoring and evaluation system at the Secretariat to monitor programme implementation and evaluate impact of the programmes on enhancing efficiency of the corridor
- Monitor implementation of the decisions and directives of TTCA-NC policy.

**PART III:**

**LOGICAL FRAMEWORK AND  
IMPLEMENTATION PLAN**



## Chapter 7: Logical Framework

The logical framework is presented in matrix covering the following strategic objectives;

- 1) S01: Development of opportunities and incentives for increased private sector investment and participation in the Northern Corridor
- 2) SO2: Expansion, modernization and improvement of Transport Infrastructure and service relating to road, rail, pipeline, ports, inland waterways, Border Posts, terminals, communication systems and other related facilities
- 3) S03: Harmonization and Streamlining of policies and legal framework for transport and Trade facilitation
- 4) SO4: Enhanced Knowledge Management and Capacity Building
- 5) S05: Performance Monitoring and Evaluation

The logical framework matrices depict the following:

- 1) Program Objective
- 2) Main Activities
- 3) Targeted Output
- 4) Key Performance Indicators
- 5) Timeframe
- 6) Estimated Cost
- 7) Responsibility

# **LOGICAL FRAMEWORK MATRIX**

## LOGICAL FRAMEWORK MATRIX

Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US\$ million	Responsibility
<b>SO1: Development of opportunities and incentives for increased private sector investment and participation in the Northern Corridor</b>						
1. To provide an enabling policy and legal framework for the promotion of private sector participation in the provision of infrastructure facilities and services	<ul style="list-style-type: none"> <li>Review of existing national policies and legal frameworks for investment promotion with a view of harmonization</li> </ul>	A common policy and legal framework for investment promotion	Number of countries adopting the common policy and legal framework for investment promotion	2012-2014	2.0	TTCA-NC, Member States, Donors
	<ul style="list-style-type: none"> <li>Develop a common PPP policy framework, in collaboration with EAC and COMESA, for adoption by NC Countries</li> </ul>	Common PPP policy framework Guidelines for establishment of PPP Units	Countries adopting and using the common PPP policy framework & Guidelines	2012-2014		
	<ul style="list-style-type: none"> <li>Support member States in establishing PPP Units</li> <li>Capacity building for knowledge sharing on ongoing PPP initiatives</li> </ul>	PPP Units established in all member states Document on best practices and training workshop on PPP	Number of PPP Units established by NC Number of completed PPP projects without litigation Number of training workshops on PPP	2014-2015 2012-2016		
2. Implement the Northern Corridor Spatial Development Programme, including marketing the Anchor projects identified in the NCSDP Scoping	<ul style="list-style-type: none"> <li>Update data on anchor projects</li> </ul>	Updated Anchor projects	Compiled project profiles	2012-2013	1.6	Member States, TTCA-NC, Development partners
	<ul style="list-style-type: none"> <li>Development of the NCSDP business plan and implementation strategy</li> </ul>	Business plan	business plan adopted by Member States	2013-2014		
	<ul style="list-style-type: none"> <li>Development of national and regional economic empowerment capacity</li> </ul>	Transfer of NCSDP responsibilities to country units	National Investment Promotion Agencies take over NCSDP	2012-2014		

Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US\$ million	Responsibility
Study and Infrastructure Master Plan.			management			
	<ul style="list-style-type: none"> <li>Prepare an enabling legal frame to enable and encourage large rail shippers to procure rolling stock and to build rail sidings and also access rail network for their own operations</li> </ul>	<u>Legal framework.</u> Large rail shippers procure own operated rolling stock and build rail sidings	Number of shippers procuring their own rolling stock and carrying out own account operations	2014-2015		TTCA-NC, Member States
	<ul style="list-style-type: none"> <li>Improvement of the Business Environment and investment facilitation</li> </ul>	Strengthened and harmonized investment regime and regulation	Bilateral/Multilateral Agreements concluded to underpin concessions and PPPs Projects	2014-2015		
3. Coordinate marketing of the sub-region and mobilisation of funding for the anchor projects	<ul style="list-style-type: none"> <li>Marketing of NCSDP Anchor projects and resource mobilization</li> </ul>	Investment Conference bringing together donors and private investors	Number of projects funded / undertaken.  Amount of project financing pledged from donors and private investors	2014-2016	0.6	TTCA-NC, Member States
	<ul style="list-style-type: none"> <li>Prepare and disseminate guidelines on the various infrastructure project facilities such as PPIAF, NEPAD IPPF, etc</li> </ul>	Guidelines Booklet for distribution	Amount of project preparation funds mobilized	2012-2014		TTCA-NC Secretariat
	<ul style="list-style-type: none"> <li>Organization of training workshops to disseminate the information</li> </ul>	Training of member States' personnel dealing project planning and management	Number of officers trained	2013-2016		

Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US\$ million	Responsibility
<b>Sub-Total Strategic Objective 01</b>					<b>4.2</b>	
<b>SO2: Expansion, modernization and improvement of Transport Infrastructure and Services relating to road, rail, pipeline, ports, inland waterways, border posts, terminals, communication systems and other related facilities</b>						
1. Coordinate the implementation of the Northern Corridor Transport Infrastructure Master Plan in accordance with the priority projects for the period 2012-2016	Coordination , monitoring, promotion and implementation of the following projects;  <u>Maritime Projects</u>					
	• Construction of new Mombasa Container Terminal at Kipevu West	Completion of 2 berths	New terminal comes into use	2012-2015	250.0	GOK/KPA
	• Completion of design for phases 2 and 3 of the new container terminal at Kipevu West	Design and tender documents prepared	Design for phases 2 and 3 completed and tenders floated	2012-2016	300.0	GOK/KPA
	• Provision of multimodal access (road, rail) to the new container terminal	New Container Terminal linked by road and rail	Improved cargo out take resulting in reduction in cargo dwell time	2012-2015	30.0	GOK
	• Construction of a floating dock and phase I of the Banana Port DRC	• Construction of the floating dock completed • Construction of Banana port	Volume of cargo handled at the port increased	2014-2016	550.0	DRC Government under PPP arrangements
	<u>Inland Waterways</u> • Revitalization of Lake	• Feasibility study on revitalization to	Feasibility study report with appropriate	2012-2013	2.0	Kenya and Uganda in

Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US\$ million	Responsibility
	Victoria transport	include assessment of barge and tug services; necessary port infrastructure, as well as navigational aids	recommendations completed			collaboration with Tanzania
	• Rehabilitation of Kisangani port facilities	Infrastructure rehabilitation and repair of ONATRA and SNCC facilities	Volume of cargo handled increased	2013-2014	3.0	SCTP (ONATRA) and SNCC
	• Improvements to navigation of the River Congo (Phase I)	Hydrographic surveys, maintenance of the waterway and institutional strengthening	Time spent navigating between Kinshasa and Kisangani reduced	2012-2015	80.0	DR Congo Government through SCTP (ONATRA) with EU, WB & AfDB funding
	<u>Railway Projects</u> • Revamping operations of the Kenya-Uganda railway and improve rail market share KE: 1,083km UG: 251km	Mombasa, Nairobi, Kampala meter gauge railway repaired and rolling stock and other equipment improved	Rail market share increases to 20%	2012-2016	287.0	GOK, GOU, RVR
	• Development of the Nairobi Railway Bypass. (15km)	Completion of detailed design and construction	The 15km bypass becomes operational	2012-2015	36.3	GOK
	• Rehabilitation of Tororo-Pakwach Railway (507km) • Rehabilitation of	Feasibility and Engineering Design for standard gauge  idem	Reconstruction commenced  idem	2012-2016	1200  900	GOU under PPP arrangement with oil companies

Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US\$ million	Responsibility
	Kampala-Kasese Railway (344km)					
	• Development of Standard gauge Railway between Mombasa and Kampala (1,300km)	Feasibility and Engineering Design plus construction	Construction commenced	2012-2016	5000	Joint project of GOK and GOU
	• Rail Network Extensions	Feasibility Studies: (i) Pakwach to Kisangani (ii) Kasese to Kisangani (iii) Gulu to Juba	Feasibility study completed	2014-2016	6.0	Uganda, DRC and South Sudan Governments
	<u>Road Projects</u> • Building a 4 lane 10km access road including a grade separated interchange at Changamwe round-about	The 4 lane access road constructed	Improved cargo out take from the port	2012-2013	18	GOK, KPA
	• Development of a southern bypass road at Eldoret (30km)	Feasibility and Engineering design plus construction	Engineering design started	2014-2015	60	GOK/KENHA
	• Rehabilitation and Upgrading of sections of the Eldoret- Lokichigo road (600km)	Design and Construction	Engineering design started	2014-2016	400	GOK/KENHA
	• Widening of NC main arterial trunk road in Rwanda and Burundi (Phase I)(334km)	Feasibility and Engineering design studies	Construction commenced	2014-2016	300	Governments of Rwanda and Burundi



Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US\$ million	Responsibility
	<ul style="list-style-type: none"> <li>Upgrading of Kigali crossing to dual carriage way (11km)</li> </ul>	Feasibility Study and design	Tender documents prepared and tenders floated plus construction started.	2013-2016	25	Rwanda Government
	<ul style="list-style-type: none"> <li>Construction of climbing lanes along the NC trunk road between Mombasa and Malaba (Phase I)</li> </ul>	Feasibility, design and construction	Construction started on some sections	2013-2016	30	GOK/KENHA
	<ul style="list-style-type: none"> <li>Dualization of Nairobi-Nakuru Highway</li> </ul>	Feasibility Study and Design	Feasibility Study and Design completed and approved	2013-2014	4	GOK/KENHA
	<ul style="list-style-type: none"> <li>Construction of a new Kampala-Jinja Highway</li> <li>Construction of a new Highway Kampala-Mpigi</li> <li>Development of bypass roads in Kampala and Mbarara</li> </ul>	Feasibility Study and Design	Feasibility Study and Design completed and approved	2013-2014	20	GOU/UNRA
	<ul style="list-style-type: none"> <li>Rehabilitation and construction of roads in Eastern DRC</li> </ul>	Completion of ongoing road works linking major town in Eastern DRC	Ongoing road works linking major towns in Eastern DR Congo completed	2012-2016	392	DRC Government under the Congo-China programme
	<u>Pipeline Projects</u> <ul style="list-style-type: none"> <li>Pipeline extension from Eldoret to Uganda</li> </ul>	Reappraisal of the project in light of oil discoveries in Uganda Feasibility study	Pipeline projects re-appraised.	2012-2013	0.2	Kenya and Uganda Governments under PPP
	<ul style="list-style-type: none"> <li>Development of pipeline to transport oil from L. Albert region to markets</li> </ul>	Feasibility Study and Design	Feasibility Study to transport oil from Lake Albert to	2013-2016		GOU with Oil companies under PPP

Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US\$ million	Responsibility
			markets completed			
	Development of pipeline for exporting crude oil from South Sudan	Feasibility, Design and Construction	Feasibility, Design and construction of the pipelines completed	2013-2016		GOK and GOSS with Private sector under PPP
2. Improvement of border post infrastructure and facilities	Promote the upgrading of Border Posts Infrastructure to support OSBP operations	Border post facilities at Malaba, Busia, Katuna, Kagitumba, Mpondwe/Kasindi; Gisenyi/Goma; and Akanyaru upgraded	One stop border post operations effective at the border posts mentioned	2012-2015	120	Member States with funding from various sources
3. Harmonise norms and Standards for Transport Infrastructure	Promote the adoption of common classification and design for road infrastructure	Common road classification and design standards for the NC network adopted	Countries applying the common road classification and design standards	2012-2015	1	TTCA-NC Secretariat in collaboration with EAC/COMESA/SADC
4. To reduce delays to transit trucks caused by repeated weighing at several weighbridges	Establishing a regional network of weighbridges along the corridor  Harmonization of data capture format to be used at all weighbridges  Computerization and networking of the regional weighbridge stations to facilitate data exchange	A regional system for vehicle overload control implemented	Reduction in number of weighbridges and repeated weighing of transit vehicles	2012-2015	3	Member States and TTCA-NC in collaboration with EAC, COMESA & SADC

Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US\$ million	Responsibility
5. Promote multimodal and intermodal transport operations	Sensitization of member States and economic operators on the provision of the Multimodal Transport Protocol	Member States domesticate the Protocol on Multimodal Transport in their national laws	Number of multimodal transport operators.	2012-2016	0.4	TTCA-NC Secretariat and Member States
6. Promote development of eco-efficient Transport Systems	To gather, collate and dissemination of information on good practices relating to the design and maintenance of eco-efficient transport system	Adoption of good practices by the member States	Number of countries incorporating eco-efficiency in their transport infrastructure design and maintenance	2012-2016	0.3	TTCA-NC Secretariat and member States
7. Promote safety in all transport modes	Creation of transport safety regulatory Authorities	Transport Safety Regulatory Agency created in each country	Number of transport safety regulatory agencies created	2013-2015	0.5	Member States with facilitation by TTCA-NC Secretariat
	Improve road safety and security along the highways	Construction of appropriate parking stops off road to prevent accidents at night caused by vehicles parked by the roadside, as well as other amenities for drivers	Number of safe parking facilities developed along the NC in each country as part of roadside amenities	2012-2016	15	Ministries of Infrastructure and Road Authorities of the member States, PPPs
	To undertake International Roundness Index (IRI) survey along the Northern Corridor transits roads	IRI data collected from all member States transit roads	Annually IRI surveys reports available	2012-2016		Member States/TTCA-NC
	Development of Data management System on Safety	Study report finished and adopted	Number of Member States with adequate	2012-2014		Member States with facilitation

<b>Program Objective</b>	<b>Main Activities</b>	<b>Targeted Outputs</b>	<b>Performance Indicators</b>	<b>Time Frame</b>	<b>Estimated Cost US\$ million</b>	<b>Responsibility</b>
	and Security in all transport modes		Safety and Security Data Management System		0.7	by TTCA-NC Secretariat
8. Promote Establishment of efficient and interoperable communication systems	Build broadband ICT infrastructure connecting all NC section and nodes (Ports, Border Posts, weighbridges etc)	Broadband Infrastructure available	Number of Ports, Border Posts and Weighbridges with broadband infrastructure	2013-2016	10	Member States
<b>Sub-Total Strategic Objective 02</b>					<b>10,028.2</b>	

Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US \$ million	Responsibility
<b>S03:Harmonization and Streamlining of policies and legal framework for Transport and Trade facilitation</b>						
1.To harmonize transport policies and regulations of the Member States relating to Rail, Road, inland waterways and Pipeline.	<ul style="list-style-type: none"> <li>Implementation of the common policy framework adopted by member States in 2011</li> </ul>	Domestication of common policy framework into national laws	Number of countries with domesticated common policy framework into their national laws	2012-2016	0.2	TTCA-NC Secretariat with member States
	<ul style="list-style-type: none"> <li>Development and adoption of common policies to facilitate concession of roads with high traffic volumes</li> </ul>	Adopt common policy and guidelines for concession of roads	Countries using the guidelines for road concession projects	2012-2014	0.3	TTCA-NC Secretariat in collaboration with EAC and COMESA
	<ul style="list-style-type: none"> <li>Domestication of policies and regulations for vehicle axle load control</li> </ul>	Adoption of common axle load control by all NC countries	Number of NC countries undertaking axle load controls	2013-2014	0.2	All Member States
	<ul style="list-style-type: none"> <li>Establishment of appropriate transport regulatory agencies in all the member States</li> </ul>	Transport Regulatory agencies created by member States	Number of Member States with transport agencies.	2012-2014	0.3	Member States with facilitation of TTCA-NC
	<ul style="list-style-type: none"> <li>Achievement of better regulation of the rail transport sector through establishment of appropriate rail transport regulatory framework</li> </ul>	Kenya and Uganda Railway Acts reviewed to create autonomous rail regulatory agencies in the two countries	Rail operations and safety being regulated	2012-2014	0.2	Kenya and Uganda governments
2.To promote compliance with the	<ul style="list-style-type: none"> <li>Facilitate ratification and domestication of the NC Agreement in National</li> </ul>	Implementation of provisions of the NC Agreement by member	Number of provisions of the NC agreement implemented.	2012-2014	0.3	TTCA-NC Secretariat

Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US \$ million	Responsibility
provisions of the Northern Corridor Agreement in order to reduce the cost of doing business ( Transport and Trade Logistics costs)	laws by member States	States	Ratification of the agreement by all the NC Member States.			
	<ul style="list-style-type: none"> <li>Prepare and deliver sensitization workshops in all NC Countries</li> </ul>	Delivery of several Stakeholder sensitization workshops	Number of workshops delivered in the member States	2012-2014	0.5	
	<ul style="list-style-type: none"> <li>Streamline administrative processes and procedures at ports, border posts and inland terminals</li> </ul>	Business processes are rationalised and harmonized	Reduction in cargo clearance time at ports, border posts and inland terminals	2012-2014	0.2	Member States with support of TTCA-NC and EAC
	<ul style="list-style-type: none"> <li>Identification and removal of Non-Tariff Barriers to the flow of traffic and goods along the corridor</li> </ul>	NTBs identified and removed.	Number of NTBs identified and eliminated Number of stakeholders engagements	2012-2016	0.5	TTCA-NC in collaboration with member States
	<ul style="list-style-type: none"> <li>Rationalization of shipping and terminal handling costs</li> </ul>	<p>Implementation of appropriate regulations put in place to prevent shipping lines levying unjustified charges.</p> <p>Unjustifiable shipping and terminal handling charges identified and eliminated</p> <p>CFS charges monitored to reflect levels agreed with KPA</p>	<p>Number of unjustifiable charges eliminated</p> <p>Number of unjustifiable handling charges identified and eliminated</p> <p>Number of CFS that reflect levels agreed with KPA.</p>	<p>2012-2016</p> <p>2013-2016</p>	0.2	Kenya Maritime Authority (KMA) and KPA



Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US \$ million	Responsibility
	<ul style="list-style-type: none"> <li>Implementation of 24/7 working regime at sea ports, border posts and inland container depots and other inland terminals for all stakeholders</li> </ul>	All stakeholders work 24/7	Percentage increase in the number of transactions processed between 06:00 pm and 06:00 am at the transit nodes. Reduction in the turnaround time of trucks operating along the NC. Reduction in length Container stay inland and hence reduction in demurrage charges	2012-2016	0.2	Member States with TTCA-NC facilitation
	<ul style="list-style-type: none"> <li>Undertaking a study to facilitate implementation of agreed regional trade and transport facilitation instruments, along the Northern Corridor</li> </ul>	Completion of the Study	The Study Report and Action plan adopted by the Member States.	2012-2014	0.45	TTCA-NC
	<ul style="list-style-type: none"> <li>Implementation of the Trade facilitation instruments (CD-COM, RCTG and COMESA Carrier License)</li> </ul>	Achieving full implementation of the single goods declaration document (CD-COM), RCTG and COMESA Carrier License	CD-COM implemented as a regional document, as well as the RCTG CARNET. The COMESA Carrier License issued by all NC member States	2014-2015	0.5	Member States, NCTTC
3.To enable private sector players to participate in policy making and implementation of activities relating to	<ul style="list-style-type: none"> <li>Organization of seminars to promote professionalism in road transport industry</li> </ul>	Transporters and CFA enable to keep proper books of accounts and on operations	Transport operators keeping proper records of business transactions and operational data.	2012-2016	0.3	TTCA-NC Secretariat
	<ul style="list-style-type: none"> <li>Establishing or making operational national trade</li> </ul>	National Committees established in all NC	Number of Member states with operational			TTCA-NC Secretariat

<b>Program Objective</b>	<b>Main Activities</b>	<b>Targeted Outputs</b>	<b>Performance Indicators</b>	<b>Time Frame</b>	<b>Estimated Cost US \$ million</b>	<b>Responsibility</b>
trade and transport facilitation	and transport facilitation committees	Member States.	committees	2012-2013	0.3	
	<ul style="list-style-type: none"> <li>• Institutionalization of the Northern Corridor Stakeholders' Forum.</li> </ul>	Northern Corridor Stakeholders Forum institutionalized	NC stakeholders forum institutionalised	2013-2014	0.3	TTCA-NC Secretariat
	<ul style="list-style-type: none"> <li>• Formation of joint cross border management committees</li> </ul>	Joint management committees formed at key border Stations along the NC.	Number of key border posts with operational joint border management committees	2013-2014	0.5	TTCA-NC, Member states, Development partners

Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US \$ million	Responsibility
4.Stimulate Intra-Regional Trade by fostering links between trade infrastructure & logistics and supply chains	<ul style="list-style-type: none"> <li>Establish and design a mechanism for capturing data on intra-regional trade on major trade and supply chains at border posts, Port and inland ports</li> <li>Develop a supply chains information exchange platform among the member States.</li> <li>Fostering a Partnership between Regional Stakeholders</li> </ul>	<ul style="list-style-type: none"> <li>Implementation of Regional Facilitation Instruments – STR, Certificate of Origin</li> <li>Data Bank on volume, price of intra regional trade</li> <li>Market sharing, statistics related to production, price, industry monitored</li> <li>Marketing of regional opportunities realized</li> </ul>	<ul style="list-style-type: none"> <li>Data bank on generic a supply chain information system created.</li> <li>Number of trade facilitation instruments implemented and issued.</li> <li>Number of countries using the cross border facilitation instruments</li> <li>Number of Partnership accomplished</li> <li>Number of links identified and realized</li> <li>Number of PPP opportunities identified</li> </ul>	2013	0.5	TTCA+ Consultant firm
5.Harness ICTs and transport technologies to make the Northern Corridor a ‘smart’ corridor	<ul style="list-style-type: none"> <li>Implementation of Electronic Cargo Tracking System, Fleet Management system and Electronic Vehicle overload system</li> </ul>	Use of the e-SWS, ECTS, UCR, GIS and fleet management systems by all NC Member States.	Number of ICT systems implemented.  Number of ICT Systems	2013-2016	2.5	Revenue Authorities, Ports Authorities, Cargo Handlers, Truck Operators and TTCA-NC

Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US \$ million	Responsibility
	<ul style="list-style-type: none"> <li>Development and Implementation of a Geographic Information System and Mapping services along the corridor</li> <li>Implementation of Electronic Single Window Systems throughout the NC logistics chain</li> <li>Implementation of the Unique Consignment Reference Number (UCR)</li> </ul>	<p>Interconnection of the three systems to provide Transport Information Monitoring System</p> <p>Make the NC a IT 'smart' corridor</p>	interconnected.			Secretariat
6.To improve industry service standards and encourage self regulation	<ul style="list-style-type: none"> <li>Promoting Implementation of COMESA code of conduct and ethics for Customs and persons involved in transit transport operations</li> </ul>	Domestication of the COMESA code of conduct and ethics in the service charters of Customs Authorities and other stakeholders	Number of stakeholders that have adopted the code of conduct in their service charter	2012-2016	0.3	Revenue Authorities and Business Associations with facilitation of TTCA-NC
	<ul style="list-style-type: none"> <li>Facilitate Business Associations to adopt and implement self regulation codes of conduct</li> </ul>	Associations of Clearing and Forwarding Agents; Transporters' Associations; Shippers Councils codes of conduct implemented	Number of Associations with adopted self regulation code of conduct	2012-2016	0.3	TTCA-NC Secretariat
	<ul style="list-style-type: none"> <li>Harmonise regulations relating to licensing of the private sector stakeholders involved in the handling and</li> </ul>	Harmonised licensing regulations and guidelines	Licensing of private sector operators streamlined and standardised	2012-2014	0.2	TTCA-NC in collaboration with Revenue Authorities

Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US \$ million	Responsibility
	clearance of international freight.					
7.To enable Northern Corridor Member States secure import duties on goods at the Mombasa Port.	<ul style="list-style-type: none"> <li>Carrying out a Study on modalities for securing taxes at Mombasa port, by Northern Corridor countries</li> </ul>	Study report and recommendations for consideration by the member States	Adopted Study report and action plan.	2015-2016	0.25	TTCA-NC Secretariat
<b>Sub-Total Strategic Objective 03</b>					<b>9.5</b>	
<b>SO4: Enhanced Knowledge Management and Capacity Building</b>						
1. To enhance the efficiency and effectiveness of implementation	Study for resource mobilisation strategy	Study Report and recommendations for consideration of member States	Resource mobilisation Strategy adopted	2013-2014	0.25	TTCA-NC and member States
	<ul style="list-style-type: none"> <li>Reviewing the structure to incorporate missing functions in Secretariat and to facilitate participation of other key government agencies and the private sector</li> </ul>	<p>An enhanced structure enabling wider participation of government agencies and private sector</p> <p>Missing functions incorporated in the Secretariat Structure</p>	<p>Enhanced structure implemented</p> <p>Missing functions filled at the TTCA-NC Secretariat</p>	2012-2014	0.25	TTCA-NC Secretariat
2. To build capacity at the Secretariat and member States level to facilitate implementation of agreements and protocols, as well as	Implementation of capacity enhancement programme at member States level.	Faster uptake and delivery of TTCA programs at national Level	Number of projects adopted and implemented by member states	2013-2016	0.7	TTCA-NC
	Provide tools for capacity enhancements		Tools adopted and being used	2012-2014		

Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US \$ million	Responsibility
the decisions of the TTCA-NC policy organs	Training to improve staff capabilities.	<ul style="list-style-type: none"> <li>Assessing training needs, prepare and implement training programme</li> </ul>	Staff skills upgraded	2012-2016	0.5	TTCA-NC
3. To enhance smart partnerships with RECs and IGOs whose spheres of influence is traversed by the corridor	<ul style="list-style-type: none"> <li>Review existing MOUs between TTCA-NC and RECs and other IGOs with a view to making them more effective</li> </ul> Negotiate and signe MOUs with more regional organizations.	<p>Existing MoUs reviewed and implemented.</p> <p>New MOUs negotiated and signed with key regional organizations.</p>	<p>Improved working relationships/coordination.</p> <p>Number of existing MoU reviewed.</p> <p>Number of new MoU negotiated and signed.</p>	2012-2016	0.3	TTCA-NC
<b>Sub-Total Strategic Objective 04</b>					<b>2.0</b>	



Program Objective	Main Activities	Targeted Outputs	Performance Indicators	Time Frame	Estimated Cost US \$ million	Responsibility
<b>SO5: Performance Monitoring and Evaluation</b>						
1. To establish and maintain an effective corridor performance monitoring system and benchmarks.	<ul style="list-style-type: none"> <li>Develop benchmarks and monitor the performance of the Northern Corridor</li> </ul>	Sustainable corridor performance monitoring system in place, with benchmarks that are tracked periodically	Regular corridor performance reports being produced for management and, stakeholders and member States	2013-2014	0.4	TTCA-NC
2. To enhance the Northern Corridor Transport Observatory	<ul style="list-style-type: none"> <li>Design and implement sustained data collection, analysis and dissemination System</li> </ul>	A sustainable data collection and dissemination system in place	Data is available for performance monitoring	2012-2016	0.5	TTCA-NC Secretariat
3. To Monitor the Implementation of the Strategic Plan and to evaluate its impact	<ul style="list-style-type: none"> <li>Preparation and adoption of an effective monitoring and evaluation system at the Secretariat to monitor programme implementation and evaluate impact of the programmes on enhancing efficiency of the corridor</li> </ul>	Periodic progress Reports on the implementation of the Strategic plan, challenges being faced and necessary remedial measures Impact assessment based	Periodic reports for management and the Executive Committee being produced as per predetermined intervals Impact assessment reports being produced	2012-2016	0.4	TTCA-NC
4. To enhance public awareness of the Northern Corridor Agreement and Protocols; the programmes and benefits	<ul style="list-style-type: none"> <li>Prepare and deliver sensitization works in all NC member States</li> <li>Produce and distribute pocket size versions of</li> </ul>	Workshops delivered in all countries  NC Agreement and	Number of successful workshops delivered  Copies of documents produced and distributed	2012-2016	0.4	TTCA-NC

	the Northern Corridor Agreement and Protocols	protocols reproduced and distributed				
5. Monitor implementation of the decisions and directives of TTCA-NC policy organs	<ul style="list-style-type: none"> <li>Design and implement mechanism for implementation of decisions of TTCA-NC policy organs</li> </ul>	Implementation of decisions of the policy organs	Number of decisions implemented annually by member States	2012-2016	0.2	TTCA-NC
6. To disseminate information about TTCA-NC programmes and achievements to stakeholders in general	<ul style="list-style-type: none"> <li>Prepare and adopt an elaborate communications strategy that utilizes both print and electronic media</li> <li>Make TTCA-NC website dynamic</li> <li>Monitor and identify and address necessary ICT upgrades for the Secretariat</li> </ul>	Communications strategy for dissemination of information to a wide range of stakeholders	Increased awareness among TTCA-NC Stakeholders  Number of people visiting the website  Secretariat's ICT systems constantly updated and upgraded	2012-2016	0.4	TTCA-NC
<b>Sub-Total Strategic Objective 05</b>					<b>2.3</b>	
<b>GRAND TOTAL (SO1 +SO2+SO3+SO4+S05)</b>					<b>10,046.2</b>	

## Chapter 8: Implementation Plan

### 8.1. Programming

There are currently five technical programmes namely:

- 1) Public-Private Partnership Investment Promotion
- 2) Infrastructure Development and Management
- 3) Trade and Transport Facilitation
- 4) Transport Policy and Planning
- 5) Performance Monitoring and Knowledge Management

In addition to the technical programmes, there is the Finance and Administration division.

The first four technical programmes do exist in the Secretariat's organizational structure. However performance monitoring and evaluation is currently not part of the structure. It is an assumption that for the Strategic Plan 2012-2016, the missing functions in the Secretariat will be incorporated in the structure and the positions will be filled. With this assumption, programming for the implementation of the strategic plan 2012-2016 is herein outlined.

The first strategic objective, SO1: is the ***“Development of opportunities and incentives for increased private sector investment and participation in the Northern Corridor”***. This strategic objective will be attained through the Public-Private Partnership Investment Promotion Programme, through the programme objectives already described in Chapter 6.

The second strategic objective, SO2: is the ***“Expansion, modernization and improvement of transport infrastructure and services, relating to road, rail, pipeline, ports, inland waterways, border posts, terminals, communications and other related facilities”***. This strategic objective and program objectives listed in Chapter 6, will be achieved through the Infrastructure Development and Management Programme.

Third strategic objective SO3: ***“Harmonization and streamlining of policies and legal frameworks for transport and trade facilitation”***, will be addressed through three programmes, namely Customs and Trade Facilitation programme, Transport Policy and Planning programme and Private Sector Promotion Investment. The objectives of these two programmes also appear in Chapter 6.

Fourth strategic objective, SO4: ***“Enhanced knowledge management and capacity building”***, will be pursued through the performance monitoring and knowledge management programme. The knowledge management bit will be handled as part and parcel of the ICT activities while the administration and finance section will handle the capacity building component

Finally, the fifth strategic objective, SO5: ***“Performance Monitoring and Evaluation”*** will also be addressed through the performance monitoring and knowledge management programme. Meanwhile the last area of focus will concern institutional reform and capacity building. The attainment of the objectives of this programme will be spearheaded by the

Finance and Administration division of the Secretariat, but all the other programmes will make appropriate interventions.

## **8.2 Financial and Human Resource**

### **8.2.1 Funding and Resource Mobilization**

Estimates of funding required have been provided in the Logical Framework Matrix under Chapter 7. These will be monitored and revised where necessary during implementation of the strategic plan.

A very important assumption is that the necessary financial resources to execute the plan will be become available. The member States shall play a pivotal role in funding the Secretariat. At the same time the Secretariat will clearly identify areas where extra-budgetary funding will be needed and then prepare projects, including technical assistance projects, to solicit funding from various sources. Part of resource mobilization strategy will be the promotion of PPPs as means of raising project funds, especially for the infrastructure related projects.

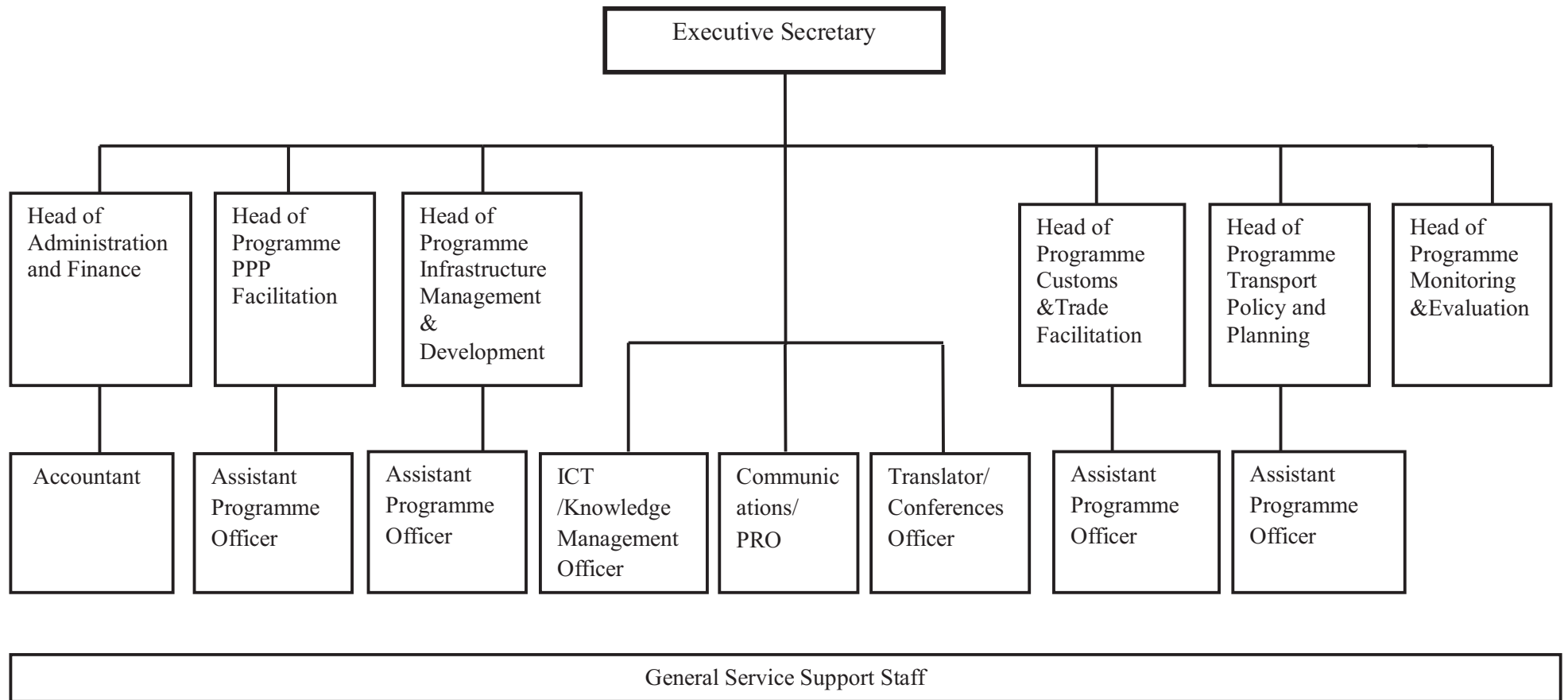
In addition, there will be need to build smart partnerships with EAC and COMESA for implementation of trade and transport facilitation instruments; OSBPs, IBM, Electronic Single Window System; Regional Corridor Overload Control System. Furthermore, enhanced collaboration with multilateral and bilateral agencies will be crucial for implementation of some of the activities in the Strategic Plan.

### **8.2.2 Human Resources**

As mentioned earlier, the attainment of the objectives and outputs of the previous strategic plan was somewhat curtailed by inadequate level of staffing. It is therefore expected that TTCA-NC Executive Committee will approve the missing functions in the Secretariat's organizational structure. In this regard, it is highly recommended that the following positions be created: (1) Monitoring and Evaluation; (2) Communications/Public Relations.

The Executive Committee may continue with the existing structure, but incorporate the two functions mentioned above. This is illustrated in *Figure 3: Organizational Structure of TTCA-NC Secretariat*. It is further assumed that the vacant positions will be filled as soon as possible; otherwise implementation of the strategic plan will be affected.

**Figure 3: Organizational Structure of TTCA-NC Permanent Secretariat**



### **8.3 Role of Member States**

The role of the member states through the various agencies has been delineated and indicated in the logical framework matrix. In this regard, member States are to undertake the necessary policy and legal reforms, especially with regard to investment promotion and public-private partnerships. Through various agencies, such as the Revenue Authorities, member States are also to undertake necessary changes relating to administrative processes and procedures, aimed at the reduction of the cost of doing business. Furthermore, member States are to continue playing the very important role of improving and expanding transport infrastructure facilities and services. Lastly, but not least, member States are to provide the Secretariat with the required human and financial resources in a timely manner.

### **8.4 Partnerships and Collaboration**

It became very apparent from the SWOT analysis that was undertaken that collaboration with partners will be crucial for the attainment of the strategic goals and objectives. The Northern Corridor traverses the economic spheres of a number of regional economic communities, notably the EAC, COMESA, IGAD and CEPGL. All these RECs undertake programmes that impact on the Northern Corridor and the activities of the TTCA-NC. In some cases there are differences in custom documentation and transit procedures being advocated by two different RECs. In such cases not both can be implemented along the Northern Corridor and calls for collaborative approach in harmonizing documentation and procedures.

In this regard, TTCA-NC will build smart partnerships with EAC and COMESA for implementation of trade and transport facilitation instruments agreed under the tripartite arrangement; One-Stop Border Posts, Integrated Border Management systems, Electronic Single Window System; and a regional Overload Control System.

Besides the RECs there are other intergovernmental organizations with similar mandates with which TTCA-NC will have to partner in order to achieve certain outcomes. In addition there are other partners, such as USAID/COMPETE, Trade Mark East Africa, JICA, UNECA and NEPAD with whom TTCA-NC is either already collaborating or will have to do so during the five-year period. Finally, and needless to say, donors have an important role play in financing national programmes and projects, especially those related to infrastructure development, and providing technical assistance support to the TTCA-NC Secretariat.



## **8.5 Monitoring and Evaluation Framework**

### **8.5.1 Monitoring the Implementation of the Strategic Plan**

A very vital part of the implementation of the strategy is monitoring and evaluation. Monitoring will require taking a periodic look on how implementation is progressing. Monitoring refers to systematic collection; analysis and use of information from projects and programmes for the purpose of:

- Learning from the experience acquired;
- Accounting internally for resources used vis-à-vis the results attained; and
- Taking decisions.

Regular monitoring of the strategy implementation will therefore focus on the following:

- (i) Progress in implementation of activities based on set timelines
- (ii) Activity budget lines and their utilization
- (iii) Achievement of desired results in relation to set targets
- (iv) Changes in the environment, both at the Secretariat and in the member States to establish whether the assumptions still hold.

Monitoring implementation will help in the identification of areas requiring improvement in relation to desired targets or benchmarks. It will also result in diagnosis of problems and bottlenecks along the corridor and the taking of necessary decisions during implementation of projects and programmes. In this regard, periodic Implementation Reports will be prepared as indicated below.

#### **8.5.1.1. Quarterly Performance Reports**

The heads of various programmes will prepare and submit quarterly reports to the Executive Secretary, highlighting implementation progress relating planned activities, any challenges being faced in carrying out such activities and proposed. The quarterly reports will form the basis of internal review meetings and the preparation of semi-annual (six monthly) reports to the Executive Committee. The Executive Secretary, in collaboration with the heads of programmes will adopt a standard format for the performance reports.

#### **8.5.1.2. Semi-Annual (Six Monthly) and Annual Reports**

As the Executive Committee of the TTCA-NC meets twice a year, six monthly reports will be prepared and submitted to the Committee. As is the case with quarterly reports, these reports shall highlight progress made, challenges encountered and suggested remedies. The two semi-annual reports will be consolidated into one Annual Report for submission to the Council of Ministers that meets once every year.

## **8.5.2. Evaluation**

Evaluation, meanwhile, refers to assessment of the impact of completed interventions. It is a systematic and objective assessment of ongoing or completed project, programme or policy, with a view to establishing their impact. Thus evaluation looks at what was planned to be done and what has actually been accomplished, and how it was accomplished. Hence, evaluation will enable the Secretariat, for example, to determine the effectiveness of the programmes in addressing problems and bottlenecks along the corridor.

Evaluation of the Strategic Plan shall be on the basis of a systematic assessment of impact of ongoing and completed interventions, reflecting both qualitative and quantitative changes.

### **8.5.2.1. Baseline Evaluation (Ex-Ante)**

The initial evaluation will be undertaken at the commencement of implementation of the Strategic Plan in order to establish the baseline data in respect of selected outcome (impact) indicators, where baseline data is not available.

### **8.5.2.2. Mid-Term Review**

A mid-term evaluation of the implementation of the Strategic Plan will be carried in the middle of the third year. In this case it will be around June 2014. This will, however, not preclude any other periodic evaluation, such annual evaluation if found necessary.

### **8.5.2.3. Final Evaluation (Ex-Post)**

The final evaluation will be carried during the final year of the Strategy to assess the impact of the various interventions. This evaluation will enable TTCA-NC to draw important lessons for future strategy formulation, reorientation of programmes or policies and even structural reorganization.

### **8.5.2.4. Performance Measurement and Impact Assessment**

As was outlined in Chapter 4, the Strategy will have five main strategic areas of focus. For each of the areas of focus objective and desired outputs have been identified and formulated. In addition the timeframes, performance indicators, estimated budget have been indicated. Further responsibilities for executing activities have been assigned, as shown in the Implementation Logical Framework Matrices in Annex I.

Performance measurement and impact assessment will require well thought out indicators. Indicators could be either qualitative or quantitative. Qualitative indicators are people's judgments or perceptions about a subject or situation. Such indicators are usually obtained from sources such as public hearings, attitude surveys and participant observation. In the case of the TTCA-NC such indicators could be obtained from dialoguing with stakeholders and feedback obtained from participants at meetings and workshops. On the other hand, quantitative indicators are measurements of changes in quantity, such as the number of kilometres of roads rehabilitated or constructed; cargo dwell time at the Port/CFSS; journey time from origin to destination; transit times; etc. Quantitative indicators are usually drawn from formal surveys and data collection.

As part as parcel of the establishing a performance monitoring and evaluation system, the Secretariat will carefully select indicators to be tracked and the frequency of measurement. The following are examples of indicators to be tracked. It should be emphasized that for each indicator selected, baseline data will have to be established at the beginning of implementation of the strategic plan.

- Cargo dwell time at the port and CFSs
- Average time taken to secure port charges
- Time taken by customs to clear cargo at the port, border posts and inland terminals
- Transit time by mode of transport, from origin to destination
- Transit time at various border posts
- Delays en-route by cause of delay (Weighbridges, Police checks or Escorts, Customs checks, Scanning)
- Average transit time per country
- Rail market share
- Average number days of container stay inland by country of destination
- Transport Costs, e.g. Inland freight charges
- Intra-regional trade between Northern Corridor Countries