Experience Sharing on Transit Issues- Presentation by Mozambique

1. INTRODUCTION

- ✓ **Strategically located along key regional transit corridors (Nacala, Beira and Maputo).**

- ✓ **Crucial for facilitating regional trade and boosting exports.**

- ✓ **Provide vital access to international markets for neighboring economies.**

- ✓ **70% of cargo handled in Mozambican ports are in transit to SADC countries.**

Development Corridors

Nacala Development Corridor – North Region

Benefits: Malawi, Zambia and DRC, **Infrastructure**: Port of Nacala, Nacala-a-Velha Ore Terminal, Tete - Nacala Railway and Nacala International Airport

Maputo Development Corridor – South Region

Benefits: South Africa, Zimbabwe and Botswana, **Infrastructure**: Port of Maputo, Railway (Limpopo and Goba), National Road and Maputo International Airport

Beira Development Corridor – Central Region

Benefits: Malawi, Zambia, Zimbabwe and the DRC. **Infrastructure**: Port of Beira, Railway Sena and Machipanda, Pipeline National Roads N6 and N7, and Beira Airport.

Development Corridors

- The corridors are important for the Mozambican economy, facilitating trade with landlocked countries, encouraging investment in logistics infrastructure.

- On the other hand, they create jobs and promote regional development, especially in border areas and port cities.

- Landlocked countries benefit from reduced transport costs and transit times, making their trade more competitive.

- Maputo Corridor – 2000 Trucks/day, Beira Corridor 1800 Trucks/day

Border Crossing Challenges Prior to Reforms

- Mozambican Border Posts faced significant delays and inefficiencies caused mainly by existence of outdated infrastructure, fragmented procedures, poor coordination between different border agencies, that causes lengthy clearance times, increase costs for traders with a huge impact in competitiveness of Mozambican trade routes, lack of transparency that causes informal practices.

- Mozambique is investing in the simplification and harmonization of customs procedures, trough digitalization of processes (single window), online pre-clearance, bypass for trucks in transit using Ressano Garcia Border Post, which work for 24-hour.

Introducing One Stop Border Posts (OSBP)

- Mozambique – implementing OSBP Projects at key border posts like Ressano Garcia (Border to South Africa), aiming to streamlining processes by integrating services, designed to significantly reduce waiting and clearance times
- Multisectoral Commission to review the terms of the Agreement

- With Malawi, the Agreement was Signed in 2021. Pilot implementation (Calomue - Dedza Border Post) – Launch by The Presidents of Mozambique and Malawi.
- Technical teams from both countries, are finalizing with a sectoral view, key issues on customs, immigration, agriculture, fisheries, security among others.

- Signed with Tanzania last month during the State Visit of the President of the Republic of Mozambique to that country

- Negotiating in course with Zambia, Zimbabwe and Eswatini

Role of NTFC

- The NTFC play an important role focused on inter-institutional coordination, public – private sector coordination and mobilization of partners for technical assistance.

Achievements:

- Integration into the Single Window
- Information available through Trade Portal
- Electronic Certificate of Origin
- Electronic phytosanitary certification
- Digitalization of visas and licenses.
- Coordination of negotiating and implementation of OSBP, STR
- Removal of the Obligation to use Customs Brokers
- Training and capacity building (Rules of Origin and Cumulation, Advanced Rulings)

Key Domestic Drivers and Partnerships OSBP

- The Ministry of Economy

- Ministry of Transport and Logistics (MTL)

- Mozambique Revenue Authority (AT) are the main domestic driver

- Mozambique Road Authority

- Southern Africa Trade and Connectivity Project, funded by the World Bank.

- Engagement of Projects involving strong partnership with neighboring countries

- Support by regional bodies like the Southern African Development Community (SADC).

Project Components: Infrastructure & Training

- Construction and modernization of joint border facilities.
- Infrastructure designed for simultaneous customs and immigration processing.
- Significant investment in capacity building and training.
- Ensuring border officials are equipped for integrated procedures.

- Implementation of electronic systems for data sharing and processing.
- Reduced reliance on paper documents, improving transparency.
- Introduction of risk management systems for targeted inspections.
- Enhanced coordination among all border agencies.
- Designated priority lanes for transit goods.

Success Factors for Implementation

- Strong and sustained political commitment,
- Effective cross-border cooperation with neighboring countries,
- Dedicated investment in modern infrastructure and technology,
- Successful multi-agency coordination at the border level,
- Continuous stakeholder engagement (traders, transporters)
- interoperability of IT systems between countries
- Continuous capacity building for public servants

Measuring the Impact of Reforms

- Impact is measured through key performance indicators
- Significant reduction in average border crossing times
- Increased volumes of transit trade through the corridors
- Positive feedback and improved satisfaction from traders and transporters
- Feedback from private sector through consultation foruns to identify bottlenecks and opportunities

Future Steps for Sustainability & Improvement

- Deepening understanding of Legal framework, infrastructure and other possible conditions for the implementation of a One-Stop Border Post (PFPU)
- Change to optimize processes between the two countries, ensuring dedicated funding for infrastructure maintenance and upgrades
- Deepening digital integration and data sharing platforms
- Strengthening multi-agency collaboration further
- Adapting to evolving regional trade demands and opportunities
- Define the sector/company responsible for managing the OSBP facilities to ensure sustainability

Thank you