Logistics Review of Beira and Nacala Corridors

DRAFT FINAL REPORT

Introduction

Beira, Mozambique
26TH June 2012

Agenda

- Purpose of the Workshop
- Introduction and Background of the Study
  - Driving Factors
- Objectives and Scope of Assessment
- Tasks
- Approach and Methodology
- Workshop presentations

Purpose of the Workshop

- The main purpose of this workshop is to validate the findings and give recommendations on the way forward.

- The stakeholders' views on the ground should have the final say on what actually is happening on the ground.

- Thus our aim should not be to rebut any challenges on findings but have these findings confirmed and validated before we finalize the report.

Logistic Review of Beira and Nacala Corridors

Introduction and Background

Study looks at:

- Operational efficiency
- Costs of using Beira and Nacala ports and the corridors they serve, and
- Impact on Mozambican and regional competiveness

Driving Factors

Transit time at ports

Transportation costs

Logistic Share of Total Transit Time
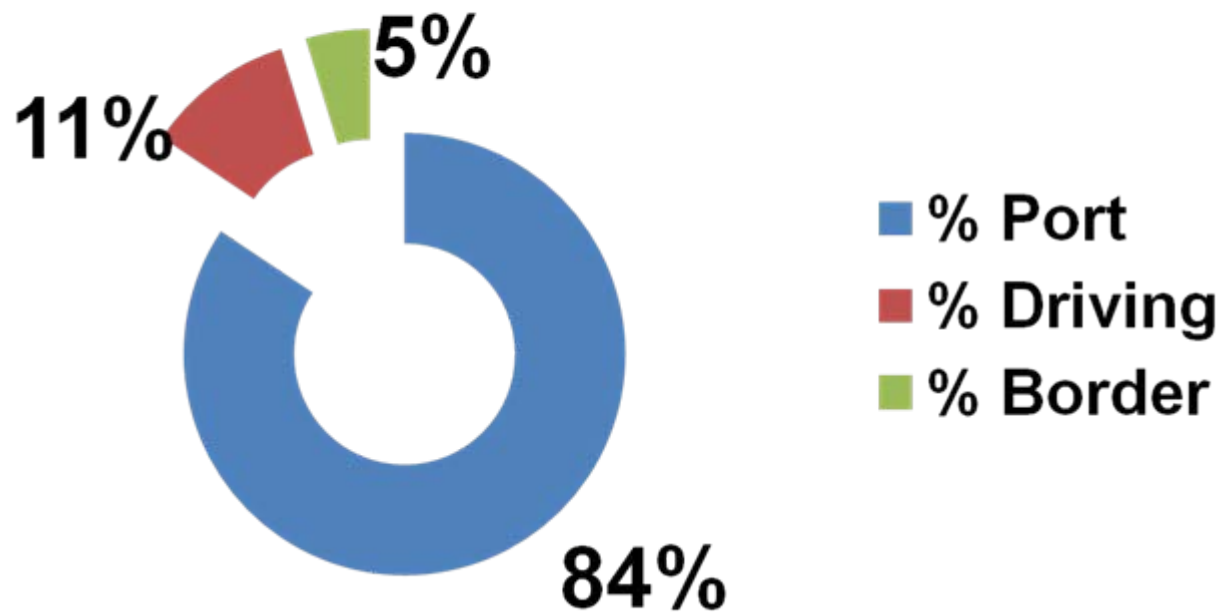
Port Dwell Times Comparisons (Average in days)

Durban Port	Beira Port	Nacala Port	Mombasa Port
6	26.1	14.6	7

# Indicates urgent need to:

- Improve ports efficiency
- Reduce delays and transit times
- Reduce transport costs
- Increase international competitiveness

Objectives and Scope of Assessment

Joint Assessment by USAID AGRIFUTORO Program, and USAID Southern Africa Trade Hub (SATH)

- Assess the efficiency and costs of using Beira and Nacala Ports and

- Assess the impact on Mozambican and regional agricultural competitiveness

USAID's AgriFUTURO Program

- The purpose of USAID's AgriFUTURO Program is to increase Mozambique's private-sector competitiveness by strengthening targeted, agricultural value chain development.

AgriFUTURO Program Components

1. Improve the Enabling Environment for Agribusinesses

2. Expand and Strengthen Agribusiness Development Services

3. Build Linkages to Financing Services for Agribusiness Development

4. Increase and Strengthen Public-Private Partnerships

USAID Southern Africa Trade Hub (SATH)

- A regional program with overall goal to increase international competitiveness, intra-regional trade, and food security in the Southern African Development Community (SADC) region.

- Deliver targeted technical assistance to government, the private sector, and civil society organizations in support of advancing regional integration and increasing the trade capacity of selected value chains within Southern Africa

Other agencies and institutions Support

Support for this assessment has been obtained from Mozambican and regional institutions interest in improving corridor operations, which include

1. IPEX (Institute for the Promotion of Export),
2. ACIS (Associação Comercial e Industrial de Sofala)
3. BAGC (Beira Agricultural Growth Corridor)
4. FrutiCentro
5. Fertilizer and commodity traders (private sector)
6. USAID missions in Malawi and Zambia
7. Government of Mozambique (through Ministry of Transport), and
8. SADC on regional basis

Assessment Tasks (1/3)

- **Port Assessment Tasks**
  - Determine ports capacities and efficiency
  - Assess port dwell times and
  - Conduct legal and regulatory impact on dwell time
  - Actual & planned port investment
  - Give recommendations for improvement in efficiency

Assessment Tasks (2/3)

- **Customs Assessment Tasks**

  -Assess goods clearance procedures and documentation for exports and imports

  -Review regulatory and legal frameworks for clearance of goods

  -Assess infrastructure and management systems support for clearing of goods

  -Assess costs and charges in clearance of goods for exports and imports

  -Regional customs regime review

  -Give recommendations for improvements in efficiency

Assessment Tasks (3/3)

- **Corridor Assessment Tasks/ Commodity Assessment Tasks**
  - Critical path review/commodity tracking for procedures, documentation, mode, places/event occurrence, timelines, charges/costs, responsible party
  - Determine costs and time associated with movement of imports and exports
  - Impact analyses of inefficiencies and high costs on national and regional trade
  - Give recommendations for improvement in efficiency

Assessment period

- March – June 2012

Mobilization and Assessment Team

- Assessment team:
    - Regional Logistic Specialist/Transport Economist and team Leader

    - Port Specialist

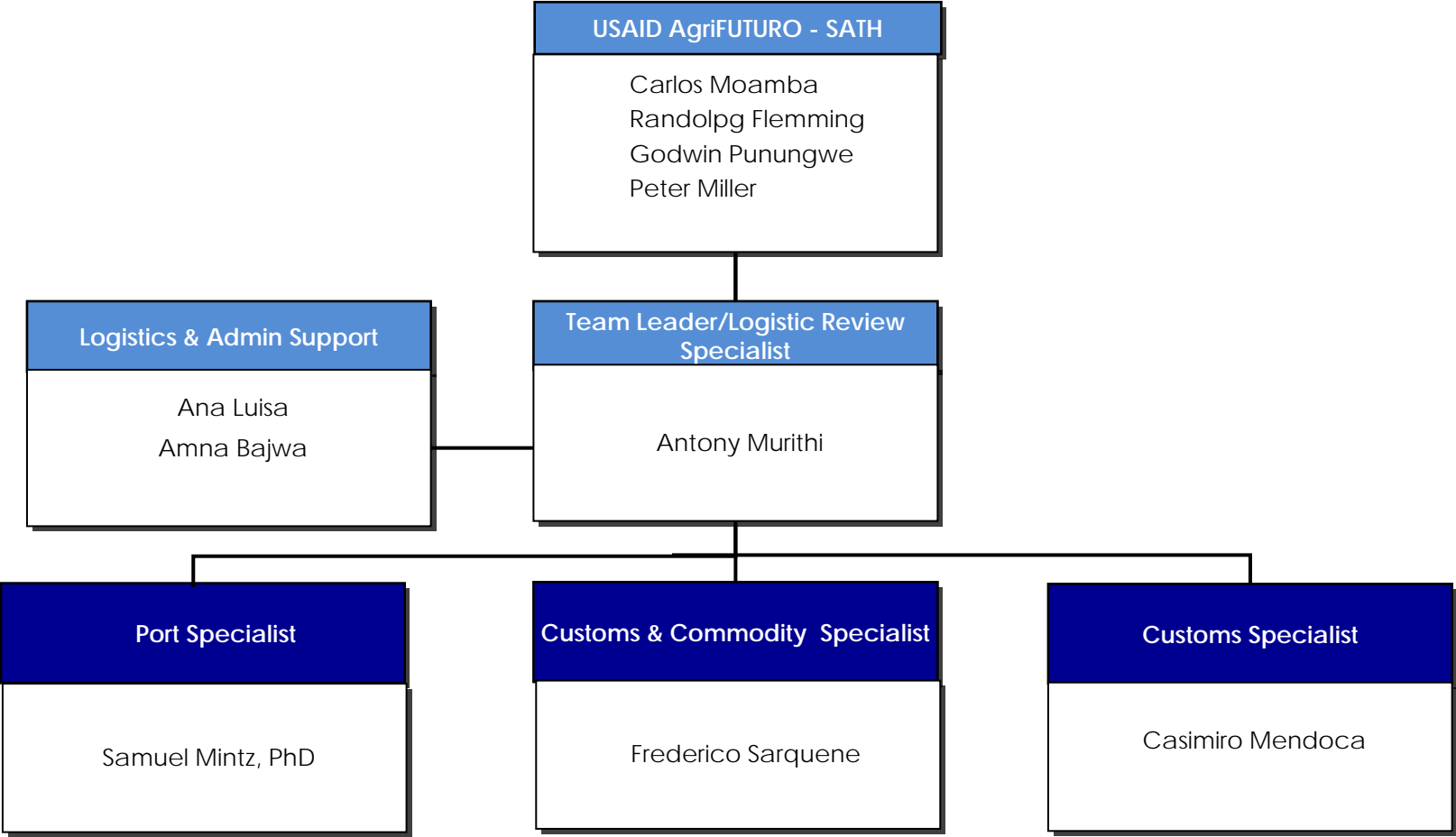   - Customs Specialist

    - Commodity Specialist

Fully-Integrated Project Management Team

Assessment Team Structure

USAID AgriFUTURO - SATH

Carlos Moamba
Randolpg Flemming
Godwin Punungwe
Peter Miller

Team Leader/Logistic Review Specialist

Antony Murithi

Logistics & Admin Support

Ana Luisa

Amna Bajwa

Port Specialist

Samuel Mintz, PhD

Customs & Commodity Specialist

Frederico Sarquene

Customs Specialist

Casimiro Mendoca

Approach and Methodology
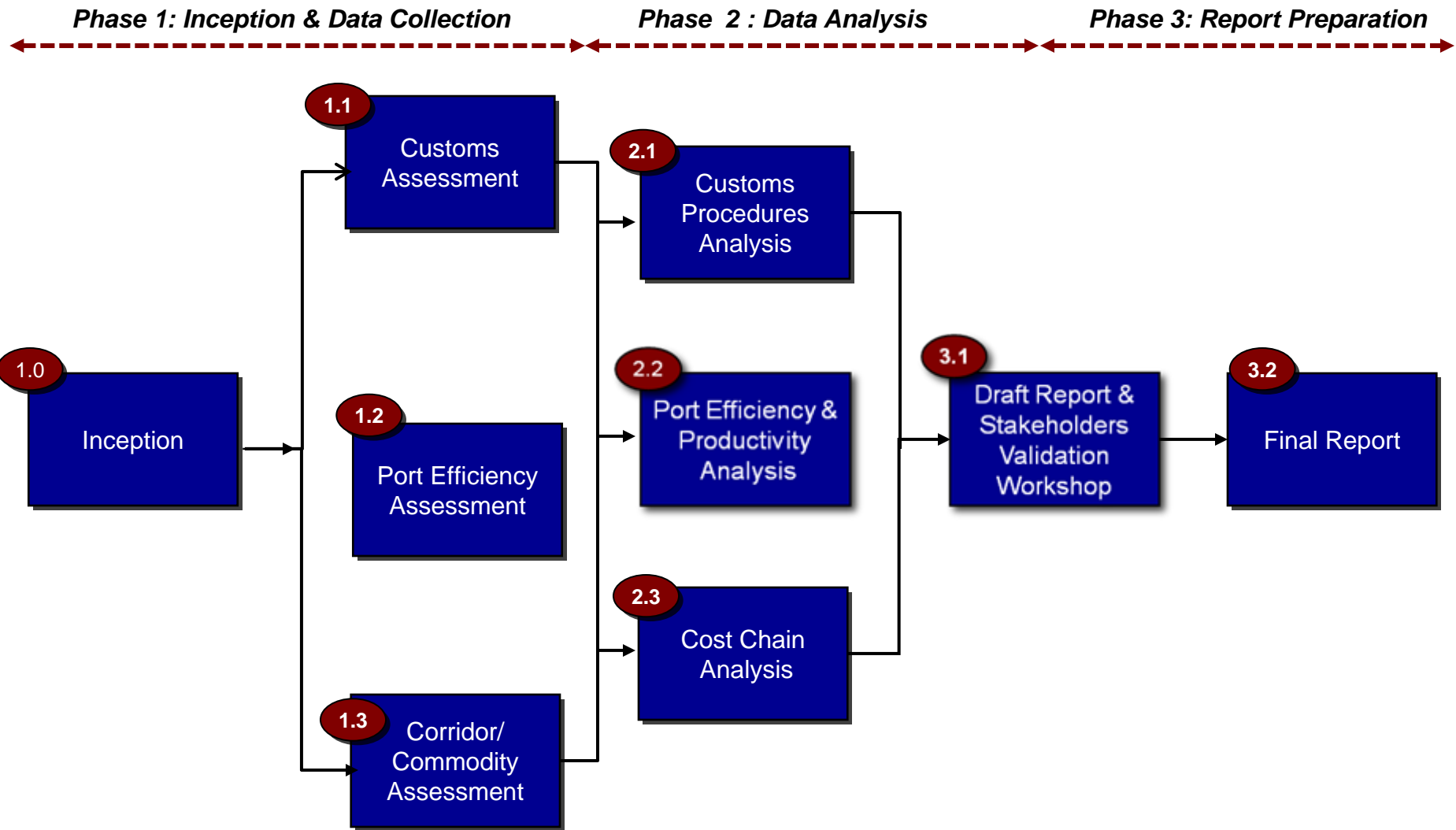
Assessment Performance Schedule

Activity	Week										
	1	2	3	4	5	6	7	8	9	10	11
1. Conduct Field Visits to Beira Port	████										
2. Inception Meeting at Beira											
3. Conduct Field Visit to Nacala Port by Port Specialist											
4. Conduct Field Visits to Beira and Nacala Corridors											
5. Conduct Field Visit at Nacala by Commodity & Customs Specialist											
6. Prepare Draft Final Report											
7. Conduct Validation Workshop											
8. Incorporate Workshop Comments & Prepare Final Repot											
9. Submit Final Report											

Deliverables:

	1	2	3	4	5	6	7	8	9	10	11
Inception Report			▲								
Draft Report and Validation Workshop							▲		▲		
Final Report											▲

Field Visits Conducted at Beira

Over 100 field contacts, that include

- Shippers — traders, manufacturers, and retailers
- Transport service providers—ports, shipping lines, inland container depots, truckers, railways and pipeline operators
- Freight forwarders — freight forwarders, clearing agents, insurance companies
- Government ministries and agencies—transport ministries, customs agencies, regulatory entities and regional government entities
- Regional organizations – SADC

Workshop Presentations

- Ports Productivity and efficiency assessment
- Customs value chain analyses
- Corridor performance
- Key findings and recommendations

THE END

Thank you