



GEGAFRICA
GLOBAL ECONOMIC GOVERNANCE

TIPS

Border Economies: Key policy findings

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Case study recommendations

Beitbridge

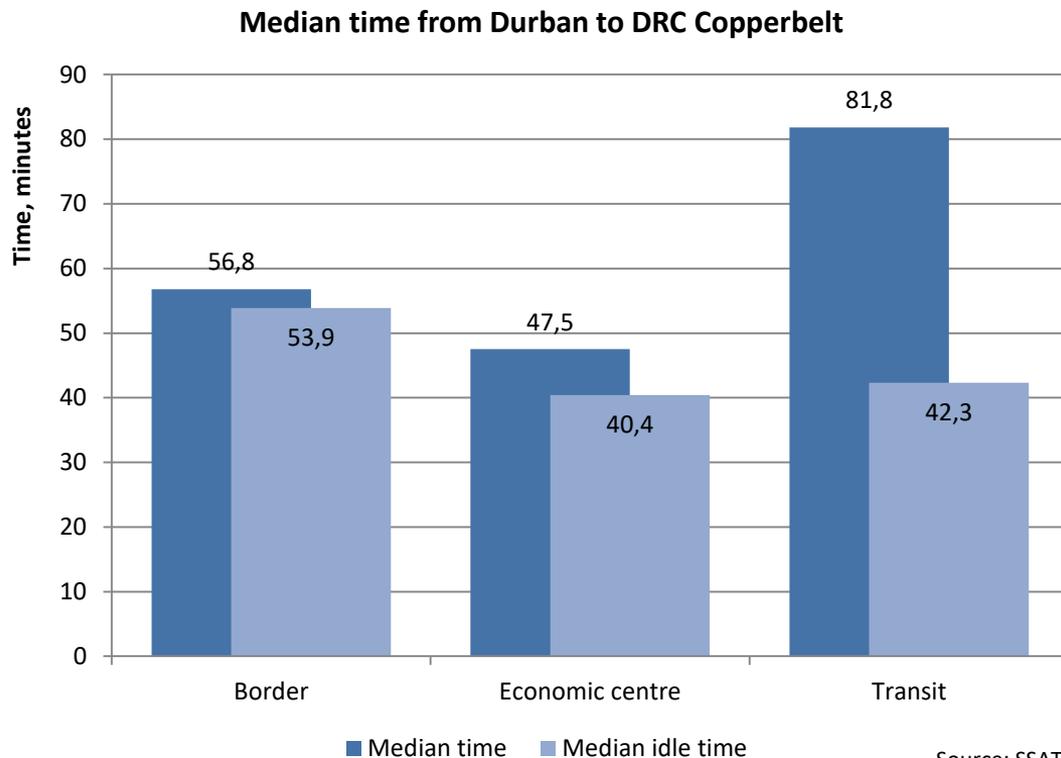
1. Formation of a **regional federation** of commercial cross-border drivers
2. **Standardisation of training and qualification** for customs brokers in SADC
3. **Code of conduct** for customs officials
4. Adjustments to **border post design**
5. Leverage tourism, mining and farms to support **development of border towns**
6. **Supportive facilities**: low cost accommodation, duty free shop, markets for cross-border traders
7. **Simplified trade regime** for cross-border traders

Chirundu

1. High waiting time is partially due to lack of **technical skills by clearing agents** - efforts should be put in place to professionalise the workers
2. Improve the **communication** between ZIMRA and Zambia in transmitting documentation for trucks (and inter agency **coordination** within ZRA)
3. ZRA should increase its **staffing levels** especially on the physical inspections side and value determinations
4. The ZRA could undertake **sampling** of containers for scanning rather than scanning every truck – this creates congestion and high waiting time
5. **Support to cross-border traders** to make procedures accessible and offer recourse

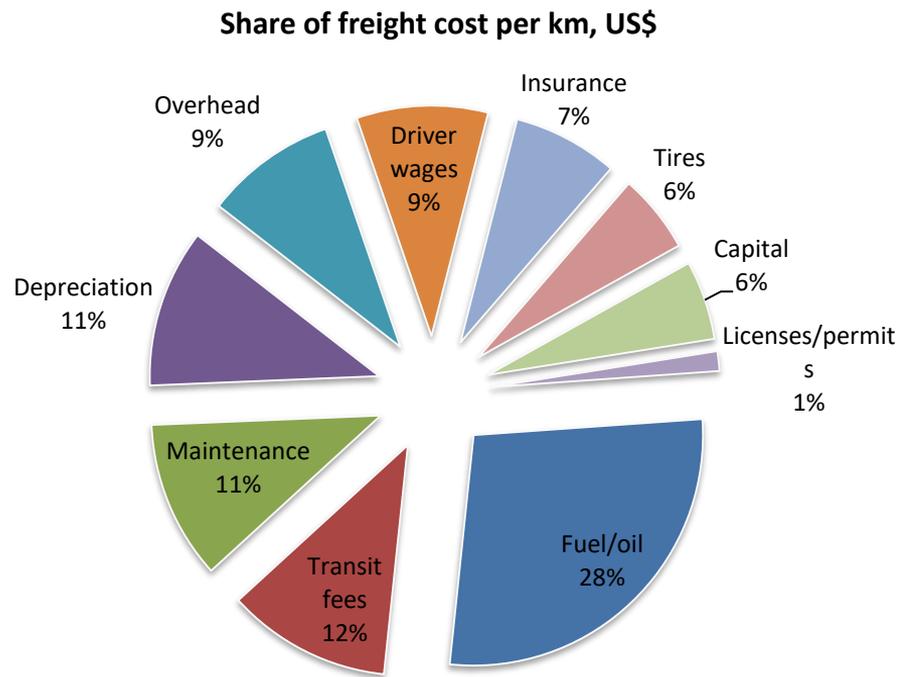
Finding 1: Coping strategies should accompany trade facilitation

- Very well established trade facilitation problems, with very well established mechanisms to address problems
- While trade facilitation changes are in progress, there is an need for strategies to help crossers manage existing barriers
- Communication mechanisms can be improved, both in assisting crossers and responding to complaints
- Facilities in the border should be provided to cope with long crossings
- Coping mechanisms are a job creation opportunity



Source: SSATP

Finding 2: Driver wellbeing must be a priority

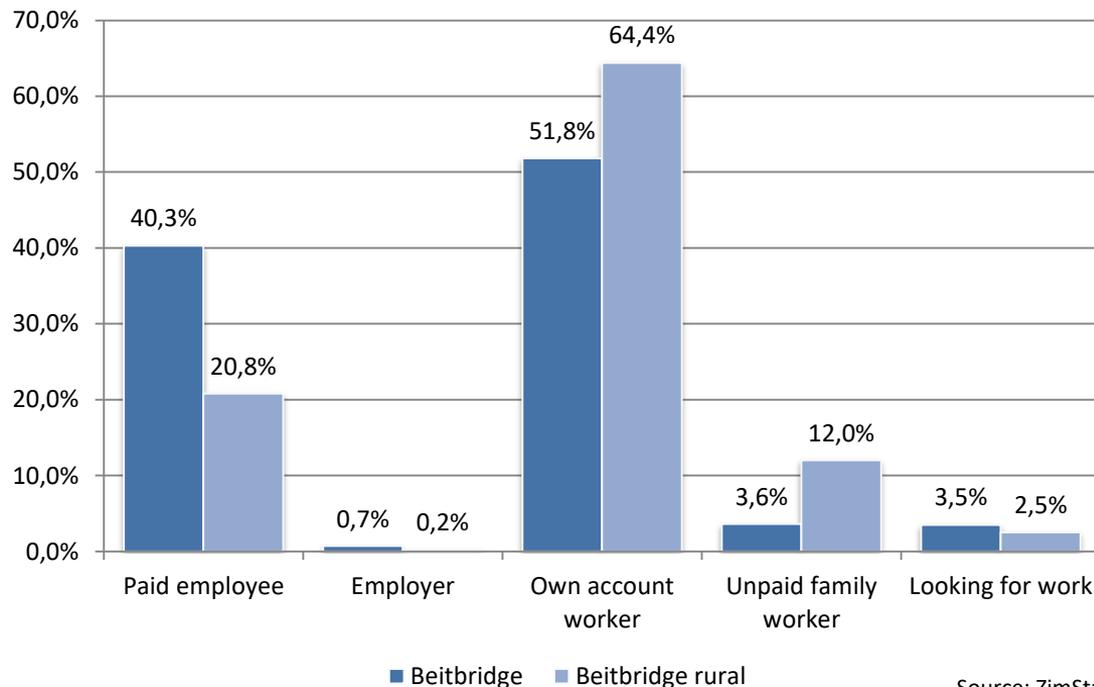


- Drivers face a range of challenges, including lack of downtime, inadequate living expenses, lack of firm support, unsafe working conditions, xenophobia; and others
- Poor conditions for drivers undermines the potential to create quality jobs
- But it also slows movement along the border, as drivers adapt to living on the road by spending more time at each stop to undertake basic necessities
- Deep regional cooperation is needed – among both policy makers and unions

Finding 3: Border firms require assistance to adapt and grow

- A large portion of the border economy exists because of inefficiencies at the border post
- Trade facilitation is needed to keep the border post viable – but also creates tensions with some border firms
- Assisting firms and individuals in growing and expanding skills can create a more stable base, and ease movement through the border
- Ongoing communication is essential, particularly during periods of trade facilitation reform

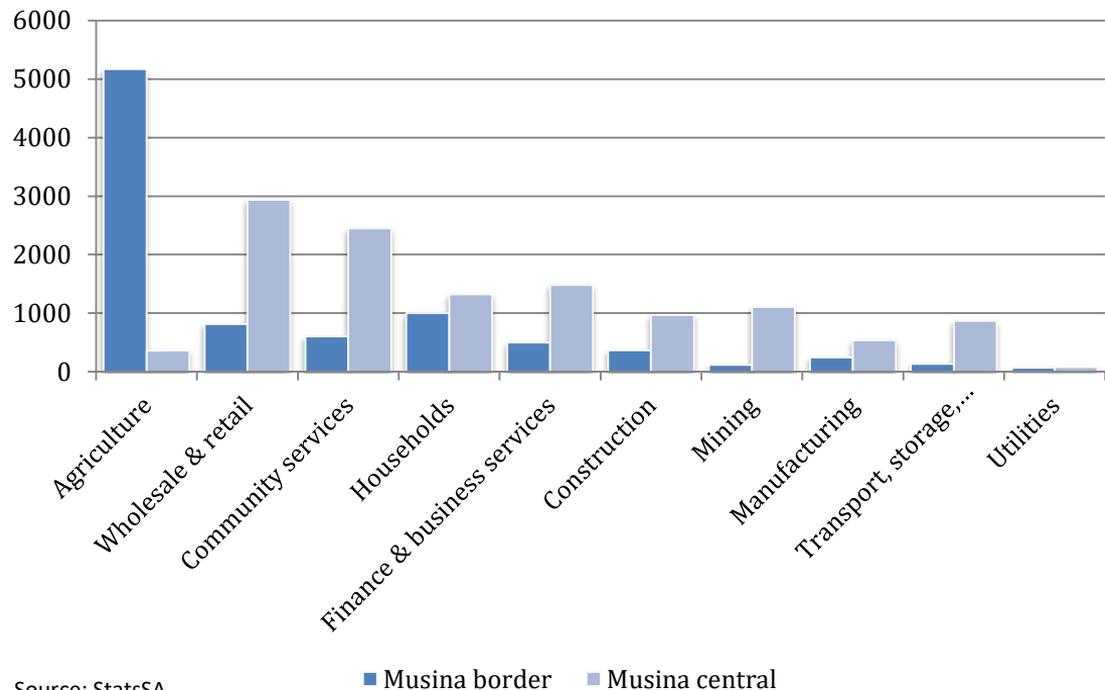
Distribution of economically active person by activity, 2012



Source: ZimStat

Finding 4: New opportunities are needed at the border

Employment by industry, Musina 2011



- In the long-term, border towns will need to find new ways to leverage growth off the border
- Some more traditional sectors – such as manufacturing, agriculture, tourism – can benefit from their location at the border, but the relationship is complex
- Some initiatives: Beitbridge Industrial Park, Musina-Makhado SEZ
- However, most border firms are still reliant on traditional distribution networks, and will be unless special arrangements are provided

Draft action plan

RECOMMENDATION	BORDER FIRMS	TRAVELLERS	TRUCKERS	BORDER TOWNS
Single point of communication for complaints and issues				
Regional truckers federation				
Development of qualifications and support for training				
Construction of secure, low cost accommodation				
Construction of logistics parks				
Accreditation of vendors and guides in border posts				
Special processes and support to cross-border traders				
Long-term: Centralised warehousing for cross-border traders?				
Long-term: Cross-border economic zones?				