

# Trade Facilitation along the Dakar-Bamako Corridors

## A Trade Policy and Trade Promotion Fund Project

Project name	Trade facilitation along the Dakar-Bamako corridors
Commissioned by	German Federal Ministry for Economic Cooperation and Development (BMZ)
Implemented by	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH
Project region	Mali and Senegal
Lead executing agencies	Malian Ministry of Trade and Industry; Senegalese Ministry of Investment Promotion
Objective	Reduce transport costs and delays along the Dakar-Bamako trade corridors in order to make them more competitive
Duration	3 years (January 2015–December 2017)

### The challenge

Senegal and Mali, two West African countries that share a border around 420 km long, wish to develop their trade relations. As a landlocked country, Mali is reliant on the route linking the Port of Dakar to its capital Bamako. For its part, Senegal is keen to develop the economic potential of its port and transport sector and become a hub of economic activity. The movement of goods between Dakar and Bamako on the road routes known as the 'Dakar-Bamako corridors' is very costly and entails long delays. This reduces the competitiveness of export goods and results in excessively high prices for consumers in Mali.

These high transport costs and slow traffic on the Dakar-Bamako corridors can be attributed to a number of factors: infrastructure problems, cumbersome administrative procedures that lack transparency, long waiting times at the border, numerous police and customs checks on the routes and high customs escort fees.

Further problems arise from the fact that the transit procedures of the two countries are not standardised, their customs computer systems are not connected and coordination mechanisms are inefficient.

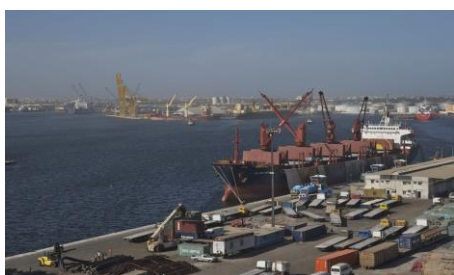
The project has therefore focused efforts, since it began, on working with actors from the two countries to find solutions to the problems affecting the Dakar-Bamako trade route.

### Our approach

In response to this situation, the project financed by the Trade Policy and Trade Promotion Fund pursues the following objective: 'Improve conditions on the Dakar-Bamako trade corridors to reduce transport costs and delays'. In order to achieve this objective, the project focuses on providing technical assistance in four areas:

- simplifying and standardising procedures;
- increasing and modernising infrastructure and equipment;
- increasing the professionalism and awareness of the actors involved;
- strengthening (national and bilateral) coordination mechanisms.

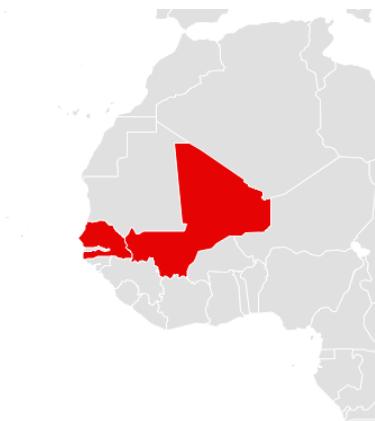
The first component primarily involves documenting transit procedures for the import and/or export of certain key products, so that simplification measures can be identified. This work is being carried out in partnership with the United Nations Conference on Trade and Development (UNCTAD). The documentation will be made available online in order to increase transparency for users of the trade corridors. The project also supports the process to interconnect the customs computer systems of the two countries.



This interconnection will help to speed up customs formalities on the Dakar-Bamako route and, most importantly, reduce waiting times at the border.

The infrastructure component of the project focuses on advocacy activities to encourage the governments and donors to make investments in the routes and ensure their maintenance. To this end, support has been provided for the implementation of Senegal's Vehicle Fleet Renewal Programme. A workshop was also organised at the border to discuss mechanisms for financing the establishment of parking areas for heavy vehicles.

The third component aims to increase the professional capabilities and awareness of actors by providing training and information activities for carriers and other actors involved. In both countries,



guides for drivers were produced or updated, drawing together essential information for carriers and lorry drivers, with a view to improving road safety. The project is also working on a mobile application that allows drivers to report cases of bribery and bad practices observed on the road.

The fourth component focuses on encouraging the Senegalese and Malian partners to maintain bilateral dialogue mechanisms, with a view to promoting cross-border cooperation and sustainably boosting trade on the Dakar-Bamako corridors. Coordination mechanisms have also been created at the national level.

## The benefits

Transit procedures have been documented in Mali, and the process is now under way in Senegal. Simplification measures have been identified for certain import goods, and their implementation could significantly reduce the number of stages (from around 60 to 30 in Mali). The authorities are now analysing the options for implementing them. With the support of the project, the two customs authorities have drawn up a time frame for the process to interconnect their computer systems. The escort fees charged in Senegal have been reduced, and the project has played a crucial role in communicating this reduction.

The workshop held at the border on parking areas for heavy vehicles clarified the roles and responsibilities of the different actors and established an action plan to create a parking area in Kidira (Senegal) and another in Diboli (Mali).

Thanks to the awareness workshops, training sessions and guides for drivers, carriers are now more knowledgeable about loading techniques, operations management and road safety. The aim now is to advance discussions on the subject of cost-effectiveness, with a view to increasing investment in vehicle fleets.

Coordination structures and communication processes have also been established, with two national committees (Mali and Senegal) and a joint project management committee. Each committee has its own secretariat.

Thanks to these results, the project is contributing to reducing transport costs and delays along the Dakar-Bamako trade corridors. This is expected to have a positive impact on products imported into the Malian market and on the Senegalese economy, as the country will have a more competitive port and a more professional transport sector.

Published by	Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) GmbH	On behalf of	German Federal Ministry for Economic Cooperation and Development (BMZ)
	Registered offices Bonn and Eschborn	Division	411 – Trade-Related Development Cooperation
	Dag-Hammarskjöld-Weg 1-5 65760 Eschborn, Germany T +49 61 96 79-1457 F +49 61 96 79-801457 <a href="mailto:ute.dannenmann@giz.de">ute.dannenmann@giz.de</a> <a href="http://www.giz.de">www.giz.de</a>	Addresses of the BMZ offices	BMZ Bonn Dahlmannstraße 4 53113 Bonn, Germany T +49 (0)228 99 535-0 F +49 (0)228 99 535-3500  BMZ Berlin   Im Europahaus Stresemannstraße 94 10963 Berlin, Germany T +49 (0)30 18 535-0 F +49 (0)30 18 535-2501  <a href="mailto:poststelle@bmz.bund.de">poststelle@bmz.bund.de</a> <a href="http://www.bmz.de">www.bmz.de</a>
Authors	Ute Dannenmann / Judith Blank		
Design/layout	Ute Dannenmann		
As at	October 2016		