

Component 1: Improving core trade infrastructure and facilities in the border areas

The project finances improvements to core trade infrastructure and facilities at specific land border crossing points. In addition, provides support to ministries responsible for trade and commerce to finance the planning and construction of cross-border markets in the border areas.

Sub-component 1.1: Border infrastructure and facilities

The project supports improvements to infrastructure and facilities at priority border posts that were identified based on traffic volumes, importance to supply chains of goods traded most across the borders, relevance to conflict dynamics in the region and the poor state of infrastructure to support cross-border trade. The border posts selected for improvement through the project suffer from similar constraints, namely:

- They are old, poorly maintained, and often inadequate to process and control cross-border traffic. IT equipment, when it exists, is insufficient, and systems are organized along institutions and not integrated.
- Traders report abuse and ill-treatment by officials, even when they consider that they are following the rules.
- Smuggling is rife with numerous instances where officials report spontaneous offers of donations or favors in exchange of turning a blind eye to the traffic.
- Small shipments are often broken up into small loads and imported piecemeal by walking across the border line. Once cleared under a simplified taxation scheme, goods are immediately reconsolidated outside the border control area.

The project is addressing these constraints by applying several design principles even though each site has its own specificity, regarding traffic, population, culture, or history. Topography also obviously plays a role. The guiding principles are the following:

Developing integrated facilities. The concept of one stop border posts is widely accepted across the project countries. A common approach will be promoted where initially, different agencies of the same country, and eventually officials from different countries are housed in the same facility.

Phasing of development. A modular approach to development will be adopted, where feasible. Although it is difficult to predict future developments, a border facility must be flexible enough to evolve over time, taking into account new conditions.

Providing for channeling of traffic. Under current operations, there is an unending flow of pedestrians, trishaws and motor bikes, without much control. The basic principle of border operations is to separate different categories of traffic. The project will finance the provision of lanes to protect users, including fencing-off to a sufficient height, to enhance control. The lanes will provide for single-direction flow.

Kasindi – Mpondwe

The project is financing the renovation of the entire Kasindi-Mpondwe border post, in phases as follows:

- Rehabilitation of the parking area and installation of an unloading bay and Customs storage areas.
- Installation of two one-way and fenced-off pedestrian lanes, between the bridge and the border control facilities. This will prevent access to the inhabited area close to the border, for which an alternative access road should be planned.
- Replacing the narrow bridge between the two countries. Two pedestrian lanes will be considered alongside the bridge.
- New road design and construction to provide for one-way traffic flows (and thus resolve the turning radius and crossing issues).
- Complement and to the extent that it is feasible, adapt the existing structure to introduce pedestrian control booths on its external sides.
- New border infrastructure, facilities and systems at Mpondwe, the Uganda side of the border.

Bunagana - Bunagana

The project will finance interventions at the following border posts:

DRC: building new facilities and systems at Petite Barrière (Goma) and Ruzizi I (Bukavu); and improving Bunagana and Kasindi. At the latter two border posts the project will finance measures to improve security, the flow of traffic and to install surveillance and other systems for the border agencies.

Rwanda: limited improvements at Rusizi I border post. Subsequent to and based on the designs to be produced under Sub-component 1.4 below, the project will finance at Rusizi I limited works to improve traffic flow and handling, to complement the proposed interventions on the DRC side of the border. The works will be limited to those consistent with the broader design of the border post financed under Sub-component 1.4 of the project; and

Uganda: building new facilities and systems at Mpondwe and improvements as above at Bunagana

Sub-component 1.2: Development of border markets and logistics

The project is financing the construction of markets to facilitate market exchanges of agricultural products in the borderlands. Border markets will facilitate the

selling and buying of goods at locations close to the border and serve also as logistics platforms to allow consolidation and transportation of products. They will enable the small scale producers to reduce post-harvest losses and to engage more in cross- border trade without having to travel over long distances into neighboring countries.

Sub-component 1.3: Upgrading Infrastructure at Kamembe airport in Rwanda

Kamembe Airport is located in western Rwanda at the border to the Democratic Republic of Congo. The majority of passengers on the Kamembe and Kigali segment are Congolese (about percent, according to RwandAir), transiting in Kigali to take further international flights (mainly to Dubai and the regional cities, and more and more to China). They are mainly travelling for trade purposes, and carry large amounts of luggage and freight. The infrastructure at Kamembe Airport is in dire need for rehabilitation and improvement.

The project will finance four main types of interventions:

- a) installation of modern navigational aids (GNSS and VOR/DME approach) and aeronautical ground lighting;
- b) weather and communications systems to improve predictability and air traffic management information;
- c) installation of new fencing around the perimeter; and
- d) construction of a storage warehouse for goods that are shipped or arriving by air.

Sub-component 1.4: Feasibility studies

Support has been provided to DRC and Uganda for feasibility studies and detailed designs of border posts in order to advance preparation of the second phase of the project

(SOP2) or interventions by governments or other development partners. The studies and designs are on the following:

DRC: two border posts, namely Kavimvira and Mahagi, two ports, Kalemie and Uvira on Lake Tanganyika and Kavumu airport near Bukavu; the scope of the study on Kavumu airport will follow, as appropriate, the recommendations of airport Strategic Plan that is under preparation under the Multimodal Transport Project. The Strategic Plan is for all airports in the DRC;

Rwanda: Rusizi 1 border post. Subsequent to and based on the study and designs therein, some priority but limited works may be financed to improve traffic flow, consistent with the interventions on the DRC side (under Sub-component 1.1); and

Uganda: Goli border post (counterpart of Mahagi in DRC).

Component 2: Implementation of Policy and Procedural Reforms and Capacity Building to Facilitate Cross-Border Trade in Goods and Services

The project includes policy and procedural reforms to improve the efficiency, capacity, and security of border operations at the border crossings. As a result, new border facilities will be designed to accommodate, possibly in a phased manner, procedural changes and inter-agency (and subsequently, cross-border) integration.

The reforms are essential to make border crossing procedures more transparent and predictable. This is of particular importance to small-scale traders, and especially women, who are typically more vulnerable given the asymmetry in power between the official and trader and the current lack of a functioning mechanism for addressing complaints and resolving disputes for small-scale traders. In addition, the reforms would contribute to increasing safety and reducing the scope for harassment at the border, especially for women, to reducing time to cross the border and to allowing improved control and revenue generation at key border crossings.

Sub-component 2.1. Support for implementation of policy and procedural reforms at the targeted border crossings

This Sub-component focuses on basic rights and obligations for both traders and officials and the consistent application of simple rules at the border. The Sub-component

supports the 3 countries:

- (i) to implement the COMESA Regulations on the Minimum Standards for the Treatment of Small-Scale Cross-Border Traders (based on the Charter for Cross-Border Traders). The project will establish citizen engagement mechanisms, including through a toll-free hotline which will allow traders to report harassment and seek information on regulations and border procedures;
- (ii) to extend the COMESA Regulations to small-scale trade in services by simplifying and making transparent immigration and health related procedures for crossing borders to provide or consume services. Particular focus will be placed on streamlining procedures to allow Congolese travelers and air freight fast and smooth access to and clearance at Kamembe airport; and
- (iii) to implement the COMESA STR which provides for small-scale traders to qualify for duty-free entry for certain goods and for a more simple and reduced set of

The Charter, which constitutes the basis for the COMESA Regulations, has been developed and tested by the Bank at a number of other border posts in Sub-Saharan Africa. It enshrines a set of basic rights and obligations for traders and officials and aims to improve behavior at borders and to promote the gradual formalization of informal cross-border trade. Initially developed to facilitate trade in goods, the current version of the Charter includes both trade in goods and trade in services. The COMESA Regulations based on the language and principles of the Charter will be tailored to reflect the specific challenges (including institutional reforms required in specific cases) faced by small-scale traders at targeted border crossings, and will be extended to trade in services.

The project also facilitates cross-border trade in services including movement through Kamembe Airport. The project finances extension of the COMESA Regulations to services to simplify immigration and health related procedures for people crossing borders to provide or consume small scale services. Reforms will be designed and implemented to target informal trade in services with emphasis on sectors such as health and education services, construction, housekeeping, hairdressing and agricultural support services. The project focuses on streamlining procedures to allow Congolese travelers and air freight fast and smooth access to and clearance at Kamembe Airport.

Extensive use of ICT technology is used to

- (i) inform traders about the requirements for cross-border trading;**
- (ii) monitor the enforcement of the COMESA Regulations; and**
- (iii) address issues such as corruption, sexual harassment and physical violence.**

The project supports the establishment or strengthening of Joint Border Committees (JBCs), the main forum for inter-agency cooperation and stakeholder consultation, at each of the border posts. JBCs are important vehicles to support implementation of the procedural reforms under this project including adoption and implementation of the COMESA Regulations and the Simplified Trade Regime. JBCs would also act as regular fora bringing together officials from each side, and sometimes from both sides, of the borders selected for project implementation, and would be primarily responsible for discussing and resolving common issues, with the ultimate purpose of promoting inter-agency cooperation, improving border procedures and enhancing overall security.

JBCs play a major role in addressing concerns and complaints raised by traders through the ICT reporting mechanism, especially those that can be dealt with at border level and do not need to be escalated to HQs. Finally, the committees may be used to coordinate border officials attending trainings on the COMESA Regulations and the STR, and also be involved in the various awareness-raising activities for border officials planned under Component 2.

Sub-component 2.2. Training and capacity building for traders and officials to support greater integrity and ethical behavior in trade processes

The project supports customized training to strengthen basic capacity and skills of agencies for better border management. The focus would be on a comprehensive program of training for officials at the border, including basic customer management, conflict resolution and gender

Training courses will also cover the key principles and mechanisms of the COMESA Regulations, including extension to trade in services, and include sessions on the COMESA STR.

The project supports traders and traders associations by providing support on trade procedures, improving relations between traders and border officials, and access to market information and finance, among other things. Traders are trained in undertaking advocacy with their authorities to address issues related to harassment, insecurity, gender-related issues or other matters. Consultations with traders and association representatives suggest that there is a demand for increased training and information sharing on accessing market information/prices, understanding border procedures and documentation requirements, and developing and accessing credit/finance instruments. With the aim of building the capacity of those associations, traders' representatives are involved in the delivery of dissemination and awareness-raising activities, as well as in the management of the reporting system to be used for responding to issues submitted by traders and to monitor the enforcement of the COMESA Regulations.

Training of officials jointly with small-scale traders to build empathy and understanding. Earlier programs have shown this to be an effective way of decreasing incidents and increasing people's trust in their authorities. Reverse role-playing is an efficient tool for this. Gender sensitivity and the particular needs of women will play a critical role in the trainings as well. These trainings will include a cross-border dimension, with traders' groups from both sides of the borders brought together to exchange ideas and experiences. In turn, these groups may play an important role in the monitoring of border agents' performance, and engage in a constant dialogue to increase cross-border solidarity and social cohesion.

Sub-component 2.3. Support for regional coordination of the policy and procedural reforms at the targeted border crossings and regional training for traders and officials

To support the implementation of the STR, COMESA has established Trade Information Desks (TIDs) at a number of border posts in the region. These were intended to provide key information to traders on e.g. duty, documentary and other requirements, as well as to assist them in the clearance process e.g. in the filling of forms and other required documentation at the border. Under Component 2, this project will support the enhancement of existing TIDs, or the creation of new ones, at the border crossings selected for implementation. The effective implementation of the STR requires bilateral negotiations to agreeing upon a common list of STR-eligible products, and a threshold for STR applicability at each border post. The COMESA Secretariat will coordinate these activities through the TIDs that will be established or reinforced at each border.

The project will enable the initial staffing/increased staffing of these STR Information Desks to provide on-the-spot information to traders and support in the clearance process (e.g. by helping them filling the required forms). The project will also support the creation of an ad-hoc position for a dedicated COMESA TID Coordinator, who would be based in the region and held responsible for overall supervision of all TIDs, as well as for regular collection of relevant data and statistics (to be then used for awareness-raising purposes). Given previous experience with TIDs, COMESA was considered the most suitable agency to lead in the implementation of all related activities.

More generally, the decision to include a regional institution among the implementing agencies responds to the need of ensuring overall consistency, and of introducing regional oversight, in the implementation of certain project activities such as training of the trainers, monitoring of the TID officers and policy dialogue and dissemination on regional initiatives, among others. The reliance on the COMESA Secretariat as an implementing agency is also expected to allow for enhanced coordination in the collection of data and statistics on small-scale trade in the three countries, and to offer increased potential for dissemination of that data at regional level.

COMESA will play a key role in ensuring regional coordination and communication regarding implementation of the COMESA Regulations and the STR. The project will support effective implementation of the COMESA STR. The project will raise awareness of the scheme among traders and officials, and clarify the applicable threshold per transaction for traders to benefit from the STR regime. The project will support dialogue on the list of common goods that can benefit from the STR to expand the list to include products of particular importance for small-scale traders and for poverty reduction – where possible, this policy dialogue will also be aimed at revisiting existing thresholds, and at ensuring overall threshold consistency between neighboring countries. There will also be support for consistent implementation of the STR at all border crossing covered by the project. Extensive communication campaigns will be put in place at the regional level by the COMESA Secretariat to support the dissemination and implementation of the STR.

The project will support regional coordination of training programs for small-scale traders and officials including development of training materials, best practices and

training of trainers. In addition, the project will support regional training for peer learning. The

collaboration platforms, for information-sharing, troubleshooting and joint provision of security to traders and others. This would strengthen the already good (but ad hoc) interaction of border officials. Specifically, training sessions will be held at regional level (under COMESA coordination) for national trainers, who will then deliver country-specific trainings to traders and officials. The overall purpose of this exercise will be to ensure regional consistency on themes and subjects covered in the national trainings – similarly, regional training materials to be used in those sessions will be prepared beforehand as a result of border visits and local consultations.

To sum up, at the regional level the project will support:

- Regional communication to raise awareness on the STR, and the COMESA Regulations on Minimum Standards for the Treatment of Small-Scale Cross-Border Traders, including their extension to trade in services.
- Strengthen Trade Information Desks (TIDs) to support and monitor implementation of the COMESA Regulations on Minimum Standards for the Treatment of Small-Scale Cross Border Traders. This will entail close monitoring conducted at border-level by an ad-hoc COMESA TID Coordinator, along with overall supervision and regional backstopping provided by dedicated officials within the COMESA Headquarters.
- Regional training activities and coordination of national training sessions to support the policy and procedural reforms.

Component 3: Performance Based Management in Cross Border Administration (US\$4.55 million)

Component 3 supports strengthening technical and management capacity of the border agencies and improve their performance to increase the quality of the services. Under this Component the project strengthens technical capacity and management to improve governance in cross-border administration and address political economy resistance to change. Following a functional review of the border agencies to assess the existing organizational functions and staff skills and identify any functional and skills' gap, the project will provide extensive training programs and strengthen the existing Performance-Based Management (PBM) systems to improve the application of rules and regulations and create a secure environment for traders crossing borders. PBM will be accompanied by appropriate incentive mechanisms as well as effective evaluation methods.

Sub-component 3.1: Professionalization and Change Management in the border agencies

HR management practices and policies significantly affect staff incentives, productivity, and consequently delivery outcomes.

This Sub-component provides support to conduct a functional review of institutional effectiveness and efficiency at the customs and immigration offices. It will assess the existing organizational functions and staff skills and identify any functional and skills' gap to meet defined institutional targets, following which job descriptions for each position would be described. The functional review will be conducted at DGDA, DGM in the DRC, RRA (Customs) and Directorate General of Immigration and Emigration offices in Rwanda, and Uganda Revenue Authorities (URA) and Directorate of Citizenship and Immigration control in Uganda. The results will support senior management to develop strategic organizational functions and staffing plans at the border posts

In addition to the strengthening of technical capacities, change management will be key to success in improving border management. Adaptive challenges must be seen alongside technical challenges, especially when introducing the new procedures and innovative changes in border management.

In short, the Sub-component 3.1 provides support for the institutional and Human Resource (HR) functional review and the change management coaching program through the procurement of international consulting services.

Sub-component 3.2: Performance Based Management and Incentive Mechanism

The project supports the use of Performance-Based Management (PBM) as a mechanism for enforcing the application of border management rules and regulations. The ultimate goal of PBM is to provide improved services, a secure trade environment and ultimately increase fiscal revenues through greater flows of trade. The customs agencies in all three countries have been introducing and piloting the PBM at their customs offices.²⁵ For instance, Uganda Revenue Authorities (URA) appraises performance of officials according to the defined mission goal as “Provide Excellent Revenue Services with Purpose and Passion”, vision: A Model for Best Practice And Innovation in Revenue Services, as well as the core corporate values, “1. Excellence,

Integrity, 3. Team work, and 4. Respect”. Building on the existing systems, the project will provide advisory support to fine-tune the performance evaluation system at customs and immigration offices and to include the key performance indicators related to improvement of the cross border environment for small scale traders.

The project will support the development of an appropriate evaluation method and introducing a third party monitoring mechanism using mobile technology. The current performance evaluation system in each of three countries varies but generally uses the traditional approach of annual evaluation by the immediate supervisors and managers of the officials. In order to make the PBM evaluation more meaningful, the project will introduce a simple IT tool to monitor traders’ satisfaction and service performance at the borders and regularly provide feedback to the officials²⁶. The reporting would encourage and motivate border agents in achieving their objectives and improving their work in day-to-day operations. In addition, a perception survey by traders on an annual basis will be conducted by using mobile phone technology to provide more accurate feedback on the performance of agencies and agents and the quality of services provided.

Building on international experiences, the project will develop a program for improved PBM with an incentive mechanism. As a way of motivating staff, the project will provide technical assistance to develop appropriate incentive mechanisms

In short, Sub-component 3.2 provides support for an annual perception survey and the performance based management TA through the procurement of international consulting services, and in-kind rewards through the procurement of goods/non-consulting services in each of three countries.

Component 4: Implementation support, Communication, Monitoring and Evaluation

Sub-component 4.1: Implementation support and Communications

A common challenge of multi-sectoral projects is having in place effective mechanisms to coordinate project implementation across sectors and between countries. The capacity of stakeholders is generally weak on many fronts: policy coordination, administration, project implementation. The designation of the most appropriate lead agency is also critical.

Implementation support will be provided in a strategic and sustainable way. The project is managed by the existing administration instead of creating an ad-hoc project implementation unit for the operation to be sustained. The project will provide support to prepare the implementation manual and finance related operational training to project teams, audit for the financial management, the accounting system, office equipment (vehicles, PC, printers, office furniture etc.), and running cost throughout the project life. The project would also finance various training courses for leadership, change management, communication, project cycle management, monitoring and evaluation and financial management, with the aim of ensuring sustainability and creating operational capacity within the administration.

In addition to various support for strengthening of communication capacity and tools in the border management that are embedded in the project activities, the project would also put particular importance on communications strategies as part of the implementation arrangements. COMESA will produce short documentaries/videos, other media programs, websites and use of social media to raise awareness of the conditions that cross border traders are facing and to familiarize all relevant stakeholders with the Traders Charter and related policy reforms. Those communication products will be widely disseminated at global, regional and each country level. The project will also provide finance to each of three countries to develop communication strategy and communication products that should be customized to the national context.

Sub-component 4.2: Project M&E and Systems for Monitoring Small-Scale Cross-Border Trade

The development of a robust system of monitoring and evaluation is essential for this project. The project will develop a system to capture progress in improving conditions for cross-border trade, including, inter alia, the efficiency of cross-border operations, the relationships between border officials and cross-border traders, and the broader impact on conflict affected communities. The project will include a specific and concrete set of measurable indicators upon which project progress can be monitored, measured, and evaluated.

In particular, the project will support ‘citizen engagement’ and be data-driven exploiting disaggregated data gathering technologies. The project will finance capacity building (e.g. training enumerators and data managers on data collection methods, increasing the number of and/or workloads and scope for enumerators and data managers) for the aforementioned agencies responsible for M&E to enable them to carry out their

M&E responsibilities as well as mechanisms for necessary field work for data collection, including periodic surveys of project beneficiaries, consistent with the Project Development Objective (PDO) indicators.

The M&E-system of the project will be linked to other relevant frameworks to allow it to show its added value and measure its aggregate impact on peace and stability in the region, particularly to the fourth pillar of the PSCF, to other World Bank programmes in the region and, where possible, to country-specific frameworks for stabilization and peace consolidation.²⁹ This process will be supported by the Great Lakes Indicators Project, the Great Lakes Region Conflict Facility (GLRCF) and the Fragility, Conflict and Violence Group (FCVG).

Information on cross-border trade flows is an essential input into policy making and planning of border operations as well as project monitoring. In addition to the support provided for the direct project M&E activities, this Sub-component supports coordinated data collection on small scale cross border trade at the priority border posts in the project.

The project will support the use of advanced IT collection systems and platforms (including Personal Digital Assistants (PDAs)) in the project countries. In Rwanda, plans for rolling out a program which uses tablets and customized software to collect and transmit data collected by enumerators at borders is in advanced stages. This project will support Rwanda's efforts to execute this plan. In Uganda and DRC, the project will support the development and roll-

COMESA will play a critical role in coordinating, facilitating, and standardizing small-scale cross border trade data collection, monitoring, and reporting in the region. In particular, COMESA under this project will develop standards and best-practices for data collection and reporting. Standardization and harmonization in methodologies across countries in the region will be important for provided reliable and consistent data. COMESA will also convene regional workshops and seminars to provide a platform for peer-to-peer learning, sharing of best practices, and establishing standard procedures. Further, COMESA will support the effort to roll out IT systems for data collection and reporting, learning from the Rwanda experience, and developing standardized software platforms to improve consistency of data in the region. Finally, COMESA will provide an online outlet for data reporting through its COMSTAT platform.

