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| **Name of Donor** | **Name of Project** |
| European Union | Transport and Transit Facilitation Programme |
| **Grant start date**:  | 1st February,2018 |
| **Grant End date:** | 31st January,2021 |
| **Grant Amount:** | USD 744,800.00 (Euro 700,000) |
| **Disbursed before current year:** (**2019**) | USD 304,836 (Euro 286,500) |
| **Balance:** | USD 439,964 (Euro 413,500) |
| **Disbursed in 2019**:  | - |
| **Balance yet to be disbursed:** | USD 439,964 (Euro 413,500) |

1. **Brief about the programme**

The Heads of State and government of the countries COMESA, EAC and SADC signed the Tripartite MOU in October 2008 aiming at establishing a single grand free trade area covering countries of all three regional economic communities (RECs). The tripartite has prioritised infrastructure development in the EA-SA-IO region through their respective treaties, protocols and agreements. Infrastructure is seen as a prerequisite and catalyst for trade, industrial development, regional integration and economic development.

The programme therefore recognizes the need to improve corridor performance through supporting application of transport transit instruments along corridors to improve road safety, reduce transit delays and hence transportation costs in general. The intervention will thus strengthen corridor management structures and transit regime for effective coordination and hence improve corridor efficiency. This will be achieved through institutional development and support, legislative reviews, capacity building and application of transit instruments. Business process reviews, safety awareness and oversight will reinforce the service delivery process.

Activities under the programme are expected to contribute towards the attainment of the main overall programme results. COMESA specific activities are only focusing on the Regional Transport corridor efficiency improving activities (Result 4 of the overall T2FP programme)

**Overall Objective**

The overall objective of the programme is to facilitate smooth flow of traffic through corridor efficiency improvement thereby reducing overall transport costs.

**Specific Objectives**

The specific objectives of the programme are;

1. Support operationalization of the COMESA Carrier License
2. Strengthening corridor governance through supporting establishment of OSBPs and enhancing performance of existing ones
3. Developing and implementing road safety management program.
4. Support establishment of corridor management institutions to improve coordination and focused attention to corridor activities and issues

The programme has four (4) result areas as follows;

Result 1: EA-SA Vehicle Load Management Strategy Implemented;

Result 2: Harmonised EA-SA vehicle regulations and standards implemented;

Result 3: Preconditions for an operational EA-SA transport registers and information platform and system implemented;

Result 4: Efficiency of regional transport corridors improved.

1. **Overview of 2019 (Jan – June,2019) programme and expenditure implementation**

*Result Area 1:* EA-SA Vehicle Load Management Strategy Implemented

* Terms of Reference for a short-term expert to review of the current status of implementation of the COMESA Carrier License (CCL) in the COMESA region were developed
* Presentations on COMESA Transport and Transit Facilitation instruments including the Carrier License were made to key stakeholders during the First Stakeholders Workshop for Port Sudan Corridor held in Khartoum, Sudan in January 2019 attended by Central Africa Republic, Chad, South Sudan and Sudan.

*Result Area 2:* Harmonised EA-SA vehicle regulations and standards implemented

* Four detailed presentations to promote awareness on the importance of adopting the corridor approach and utilizing transport transit and trade facilitation instruments including One Stop Border Posts (OSBPs) were made by COMESA, Japan International Cooperation Agency (JICA) and Northern Transit and Transport Coordination Authority (NCTTCA) during the First Stakeholders Workshop for Port Sudan Corridor under the following titles respectively;
1. Corridor Definition, Concept, Activities and Financial Sustainability
2. Lessons Learnt and Successful Key Factors of Corridor Development Projects
3. Establishment, Operation and Programmes of the Northern Corridor Transit and Transport Coordination Authority
4. Port Sudan Corridor draft Agreement
* Regional dissemination of mediation strategies targeting elders, selected eminent persons held in Uganda
* Missions and meetings to support Increased collaboration of COMESA Policy Organs with AU PSC/ and REC events held in Nairobi, Kenya

*Result Area 3:* Preconditions for an operational EA-SA transport registers and information platform and system implemented

* The first Port Sudan Corridor Stakeholders Workshop was held in Khartoum, Sudan from the 21st to 24th January 2019. The workshop was attended by Senior Officials and Technical Experts from the Corridor States of Central Africa Republic, Chad, South Sudan and Sudan.
* The Corridor Strategic Plan and Financial Strategy developed and validated by the First Stakeholders’ Workshop.

*Result Area 4:* Efficiency of regional transport corridors improved

* Terms of Reference for consultancy services to review the current status of road safety programmes and legislation in Member States were prepared

Table 1, below presents expenditure incurred in the period in implementing the above activities



* As reflected in the above table, budget utilisation during the first half of the year was USD 43,569 representing 14% of the 2019 budget. The low absorption rate is attributed to postponement of the Djibouti Corridor meeting, slow internal COMESA procurement procedures and co-funding of the Port Sudan Workshop by another development partner (JICA). The low absorption was also due to the delayed approval of the 2019 workplan by the EU which resulted in delays in recruitment of consultants.
1. **Risk Management**

Non participation of key stakeholders in the Corridor Agreement. There was no significant progress on Djibouti Corridor where the Corridor Agreement was supposed to be signed and the Corridor Strategic Plan validated during the plan period. This was due to non-confirmation of participation by Ethiopia as key Corridor State.

1. **Recommendation**

During the remaining part of FY 2019, the project will complete 2018 activities that were rolled over into 2019.