The Trans-Saharan Road Liaison Committee TRLC

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STUDY OF IDENTIFICATION OF POTENTIAL TRADE BETWEEN THE MEMBER COUNTRIES OF THE TRANS-SAHARAN ROAD LIAISON COMMITTEE

Financed by the ABEDA

Summary

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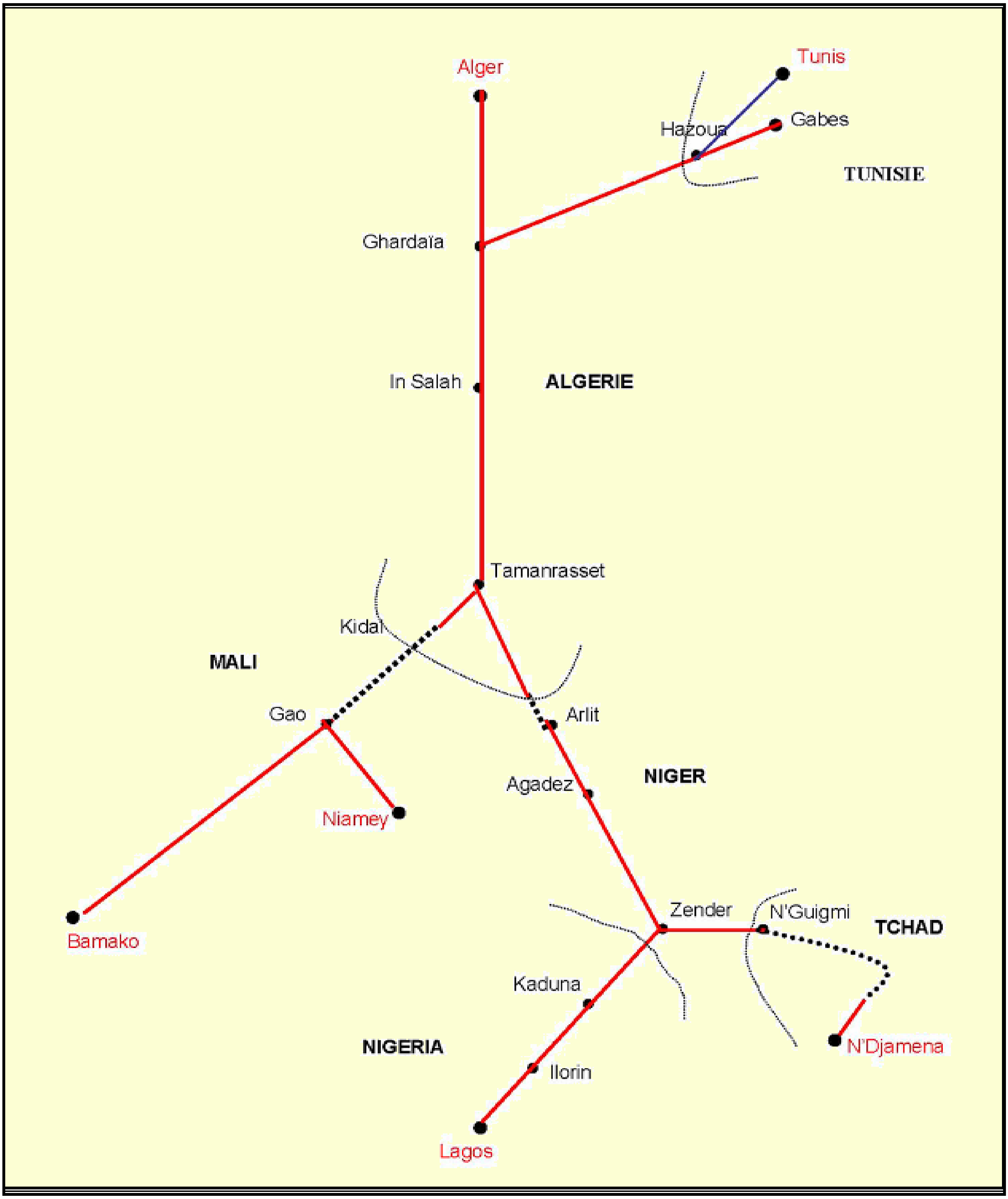
Schematic layout of the Trans-Saharan Road



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PRESENTATION OF THE STUDY

Parties of the Study

- This study was developed in 2008/2009 at the request of the Secretary General of the Trans-Saharan Road Liaison Committee (TRLC), with funding without repayment from the Arab Bank for Economic Development in Africa (ABEDA).

- Following an international tender, the project was entrusted to the grouping TAEP (Kuwait)/CEGEP (Algeria).

- The provisional final report has been presented by the Grouping, in Niamey- Niger in June 2009, in the presence of:

Mr Halidou BADJE — Niger's Minister for Trade and Industry,
Mr Lamido Moumouni HAROUNA — Niger's Minister of Infrastructure,
Mr Abdelaziz KHELAF — Director General of the ABEDA,
various personalities and experts representing the member countries of the TRLC.

- The persons involved directly in the development of this study or took part in its follow-up are:

TRLC	**:** Mohamed AYADI	Secretary General of the TRLC
ALGERIA	: Hocine NECIB	Director of Roads
MALI	: Issa DIALLO	National Director of Roads
NIGER	: Ibrahim ALLASSANE	Director General of Public Works
Tunisia	: Moncef ACHOUR	Director General for roads and bridges
NIGERIA	: CHUMA	Deputy Director of Highways
CHAD	: Ahmat IMAM	Director General of Roads
ABEDA	**:** Mahfoud BENGRINE	Senior Expert
TAEP	**:** Nacer GUIDDOUM	Leader, expert in transports
CEGEP	**:** Arezki ISLI	Head of Mission, economist expert

Content of the study according to the terms of reference

- Identification of the economic impact area of the TSR project.
- Analysis of the transport network especially roads.
- Main products in the sub-Saharan countries that are advantageously marketable towards the Maghreb countries.
- Volume of trade between the countries of the TRLC.
- Advantages in transport costs while comparing, for the north parts of the landlocked countries, access through the Maghreb ports with access through the Gulf of Guinea.
- Constraints impeding the development of trade between the member countries of the TRLC.

Visits and meetings

The investigation work conducted under this study benefited from discussions with 129 persons in charge within 77 institutions (diplomacy, government, professional organisations and companies) in the 6 TRLC member countries.

I
THE TRANS-SAHARAN ROAD - TSR -

THE AFRICAN CONTEXT

The Trans-Saharan Road is at the heart of important economic, social and political stakes across the continent. As such:

- It guarantees the crucial function of the road for the movement of goods and people with its ripple effects on the creation of business and employment, the development of basic infrastructure and the improvement of economic and social exchanges.

- It is an important link in the African road network nearing completion, which includes 9 major roads to connect all capitals of the African Union

In its current state:

- It constitutes a relatively inadequate impact on trade between the 6 countries concerned, in the light of total foreign trade.

- It nevertheless continues to receive tremendous interest from the authorities and people who perceive its completion and full exploitation as a prerequisite for the opening up, the fight against poverty and the integration of entire populations in the economic and social life of their countries.

In perspective, the full exploitation of the TSR requires the State support for the development of trade between the 6 countries concerned, especially through:

- improving facilitation,
- the implementation of development projects in border regions,
- and the application of cooperation agreements.

THE ECONOMIC IMPACT AREA OF THE TRANS-SAHARAN ROAD

The impact area of the Trans-Saharan Road may be regarded as consisting of:

A first space representing:

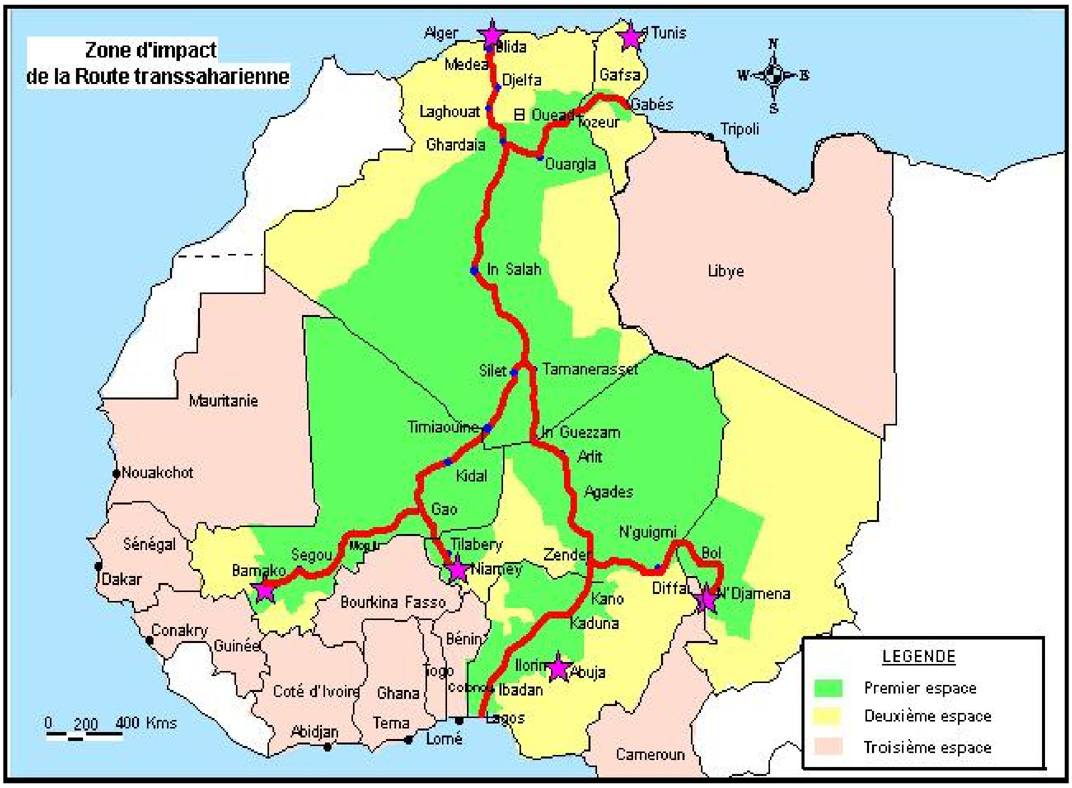
- 32 crossed Regions
- 74 crossed urban areas
- 4.4 million km²
- 60 million inhabitants

A second space representing the rest of each of the 6 countries, namely:

- 2.8 million km²
- 172 million inhabitants

A third space representing the bordering countries:

- 7 countries, totalising:
- 4.7 million km²
- 120 million inhabitants
- U.S. $ 150 billion of foreign trade against:
  U.S. $ 297 billion for the 6 countries of the Trans-Saharan Road



CURRENT SITUATION OF THE TRANS-SAHARAN ROAD

The TSR is at the following progress stage:

- Length of the project : 9 022 km
- Covered : 7 171 km (80%)
- Uncovered : 1 851 km (20%)

Prospects of completion are estimated as follows:

By 2015:

It is envisaged to convert 800 km into surfaced roads. Thus, the TSR shall cover:

- 7971 km, i.e. 88 %, of surfaced roads
- 1051 km, i.e. 12 %, of marked roads

By 2020:

It is envisaged to convert 289 km into surfaced roads. Thus, the TSR shall cover:

- 8260 km, i.e. 92 %, of surfaced roads
- 762 km, i.e. 08 %, of marked roads

THE TRANS-SAHARAN ROAD NETWORK

TSR	Country	Sections	Total length	Current situation	
				Track	Surfaced
Main axis	Algeria	Algiers - Tamanrasset - In Guezam	2,345		2,345
		In Guezam - Niger border	15	15	
		Total Algerian sections	**2,360**	**15**	**2,345**
	Niger	Algerian border - Assamaka - Arlit	223	223	
		Arlit - Agadez - Zinder - Nigeria border	784		784
		Total Niger sections	**1,007**	**223**	**784**
	Nigeria	Niger border Kogolam - Kano - Kaduna	363		363
		Kaduna - Ilorin - Lagos	768		768
		Total Nigerian sections	**1,131**		**1,131**
	Total main axis		**4,498**	**238**	**4,260**
Tunisian branch	Algeria	Ghardaïa – Tunisian border	565		565
	Tunisia	Algerian border - Gabes	301		301
		Total Tunisian branch	**866**		**866**
Malian branch	Mali	Bamako - Gao	1,236		1,236
		Gao - Kidal – Algerian border	745	745	
	Algeria	Malian border -Timiaouine - Silet	395	395	
		Silet - Tit	85		85
	Total Malian branch		**2,461**	**1,140**	**1,321**
Chadian branch	Chad	Ndjamena - Massaguet	83		83
		Massaget - Massakory (*)	68		68
		Massakory - Bol Niger border	418	418	
	Niger	Chadian border - Nguigmi	55	55	
		Nguigmi - Zinder	573		573
	Total Chadian branch		**1,197**	**473**	**724**
Total network of the Trans-Saharan Road			**9,022 100%**	**1,851 20%**	**7,171 80%**

(*) works in progress. (completion expected in 2010)

III
TRADE POTENTIAL

The analysis of trade potential

Trade potential between the member countries of the TRLC, or TSR area (Trans-Saharan Road) is analyzed according to the following four axes:

1. In the first axis: analysis of the volume of trade achieved between these countries within the last decade to capture the main features of these exchanges in their level and their evolution.

2. In the second axis: identification, through the recent exports recorded between the 6 countries, of the main components of exchanges and the products with great trade potential for trade in the area.

3. The third axis deals with costs, time and facilitations for the movement of foreign trade goods for the 3 landlocked countries of the region (Mali, Niger, Chad) from the ports of the Gulf of Guinea, in the current state, and the Maghreb ports as a possibility to consider.

4. The fourth axis, finally, proceeds to the review of the strengths and constraints that can nowadays be observed in the foreign trade of these countries, between the two sets formed by the two Maghreb countries, on the one hand, and the 4 sub-Saharan countries, on the other.

1
THE VOLUME OF TRADE

The analysis of trade within the TSR is performed, taking into account the structure of imports and exports by country for the years 2004 to 2006.

Imports

Imports are characterized by steady and relatively high growth during this period, even by taking into account the strong price increases recorded during the period.

Imports of the TSR by country (US$ Million)

	2004	2005	2006
Algeria	112.8	148.0	171.8
Mali	9.6	40.1	10.8
Niger	58.2	51.0	61.3
Nigeria	11.1	35.0	37.9
Chad	1.6	1.6	2.5
Tunisia	74.4	134.3	204.6
TSR Zone	**267.8**	**410.6**	**489.2**
Evolution		+ 53 %	+19 %

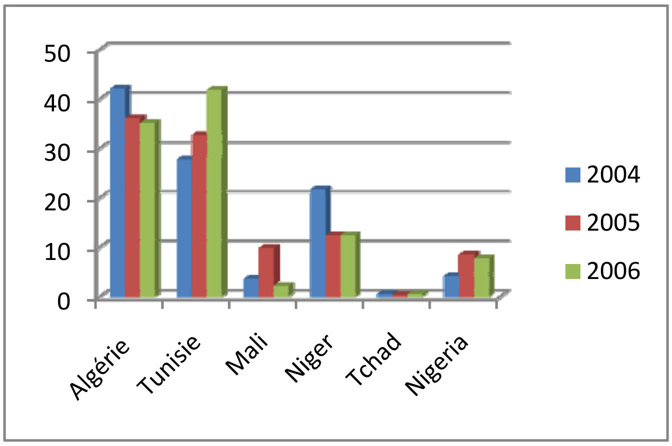
This characteristic of increased trade at imports is followed by a high concentration of trade within the Maghreb countries and Niger, however, with a redistribution of shares in the Maghreb for the benefit of Tunisia.

Tunisian imports from the TSR area are more important, and the Maghreb share increased from nearly 70% in 2004 to over 76%in 2006.

This development confirms that within the TSR area, the two main partners in terms of trade are Algeria and Tunisia.

Structure of the TSR area imports by country (in %)

	2004	2005	2006
Algeria	42.1	36.1	35.1
Tunisia	27.8	32.7	41.8
Mali	3.6	9.8	2.2
Niger	21.7	12.4	12.5
Chad	0.6	0.4	0.5
Nigeria	4.2	8.5	7.8
TSR	100	100	100



Thus, by country and year, the structure of total imports of the TSR for 2006 is as follows:

- Algeria and Tunisia explain 70% of import flows in the TSR area in 2004 and 76% in 2006.
- The remaining imports are covered by the other 4 countries of the TSR area with preponderance for Niger.

Exports

The intra TSR exports are experiencing an unexpected development, characterized by abrupt structural changes. Indeed, a review of developments in the years 2004-2006 shows that:

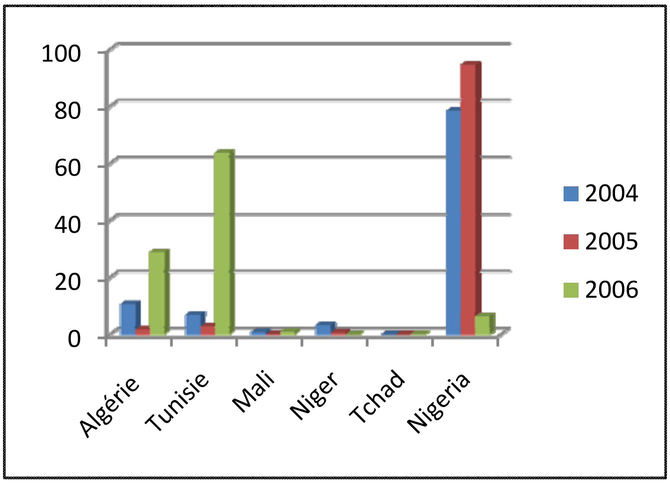
- The intra TSR exports experience a significant fluctuation, with a 300% increase in current values, in 2005 and a 95% decrease, in 2006.
- Nigeria who accounted for almost 80% of the export flows within the TSR (78.4% in 2004 and 94.6% in 2005) saw its share drop sharply to 6.3% in 2006.
- This development was in favour of Tunisia and Algeria who saw their shares increase to 63.1% and 28.9% respectively.

Exports of the TSR by country (US$ Million)

	2004	2005	2006
Algeria	181.2	116.3	99.3
Mali	13.6	4.3	3.2
Niger	56.3	46.2	0.1
Nigeria	1 336.3	6 448.4	21.4
Chad	0.4	0.3	0.4
Tunisia	117.0	200.2	218.5
TSR Zone	1 704.7	6 815.7	343.2
Evolution		+ 300 %	- 95 %

Structure of the TSR area exports by country (in%)

	2004	2005	2006
Algeria	10,6	1,7	28,9
Tunisia	6,9	2,9	63,7
Mali	0,8	0,1	0,9
Niger	3,3	0,7	0
Chad	0	0	0,1
Nigeria	78,4	94,6	6,3
TSR	100	100	100



2
THE MAIN PRODUCTS THAT ARE POTENTIALLY MARKETABLE BETWEEN THE MEMBER COUNTRIES OF THE TRLC

Analysis framework

- The main products recognized as "advantageously marketable" between the TRLC countries are those exported by each country in significant quantities over several years between these countries (TSR area).

- The analysis is conducted according to each chapter of the harmonized system classification of the World Customs Organization, for the countries whose data are available (Algeria, Tunisia, Mali, Niger).

1. Algeria

- The general feature of Algerian exports remains concentrated on oil, with 88% of its exports towards the TSR area.

- However, Algeria has a potential for export toward the TSR area in following product groups:

Product groups	Main products
Foodstuff, beverages, tobacco	Soya oil, wheat semolina, onions and shallots, yogurt, dates
Semi-products	Iron or steel laminated products, cement, zinc and alloys, ammonia, tanned hides and skins
Industrial equipment	Tires and rubber
Industrial Consumer Goods	Plastic packaging and transport items

2. Tunisia

- As for Algeria, Tunisia has a more diverse export potential toward the TSR area in following product groups:

Product groups	Main products
Foodstuff, beverages, tobacco	Sweets, extracts, essences and concentrates, cheese, peppers, milked flour, preparations for soups, canned and frozen fish
Semi-products	Dicalcium phosphate, towers and masts (iron and steel), cement, glass packaging and transport items
Industrial equipment	trailers and semi trailers for vehicles, tanks and containers (cast iron, iron, steel), parts and accessories for meters (gas, liquid, electricity) fishing boats, bathroom fixtures
Industrial Consumer Goods	Preparations for cleaning and laundry, medicines, paper towels, household-type refrigerators, shoes

- Algeria covers 89% of Tunisia's total exports towards the TSR area.

3. Mali

Mali’s main export commodities and destination countries are:

Products	%	TSR destination countries (in order)
Live animals: camels, bovines, sheep, goats	48 %	Niger, Algeria, Nigeria
Cotton	23 %	Tunisia, Nigeria
Cereals : mil, sorghum	05 %	Niger
Others	23 %	Niger, Nigeria
Total Exports towards the other countries of the TSR area	**100 %**	**Niger, Tunisia, Algeria**

4. Niger

- Niger's main exports are products of two sections of the classification:

  Live animals: bovines, goats, sheep, camels, donkeys
  Agricultural products: onions, cowpeas, groundnuts

- And these two product groups represent more than 80% of Niger's exports towards the countries of the TSR area.

- Nigeria is the main partner of Niger, with 98% of Niger's exports on the two main categories of products exported by Niger towards the TSR area.

5. Chad

- The export potential of Chad towards the TSR area covers the following products:

  - Livestock: bovines and camels,
  - Cotton and derived products (seeds and crude oil),
  - Other industrial crops: Arabic gum, groundnuts.

- In terms of exports, Nigeria is Chad’s only partner within the TSR area.

6. Nigeria

- Niger is Nigeria’s main export partner (80% excluding oil and 90% including oil).

- Oil and minerals represent the dominant exports towards Niger, Nigeria’s main export partner within the TSR area.

- Manufactured products take a large place, compared to agricultural products, in Nigeria's exports towards all countries of the TSR area.

3
TRANSPORT COSTS:
PORTS OF THE GULF OF GUINEA / MAGHREB PORTS

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INTRODUCTION

Foreign trade of the 3 landlocked countries, Mali, Niger, Chad, is characterized by:

- 11 million tons (2006) including 75% of imports
- Almost all of it is carried by sea
- Transhipment on northern and southern Europe ports.

The process of foreign trade shipment for these landlocked countries is analyzed through three successive phases:

- Shipping services
- Port Facilities
- Inland transport (road and rail).

Costs by mode of transport and transit for the landlocked countries, Niger, Mali and Chad are divided on average, according to studies by international organizations, as follows:

- Shipping services : 40%
- Port Facilities : 23%
- Inland transport : 37%

Representative ports chosen in this study for costs estimate are:

- Antwerp, for northern Europe
- Marseille, for southern Europe

ANALYSIS RESULTS

I. Transport Offers

1. Shipping services

- **The minimum routing time** of shipping services is:

- 5 times lower through the Maghreb ports (3 days) compared to the ports of the Gulf of Guinea (15 days), with respect to the Southern Europe port rows.

- 2 times lower through the Maghreb ports (8 days) compared to the ports of the Gulf of Guinea (16 days), with respect to the Northern Europe port rows.

- **Costs** of shipping services:

proportional to distance and routing time are therefore lesser for the Maghreb ports compared to the ports of the Gulf of Guinea:

- 2.8 times on the liaison Southern Europe
- 2.5 to 3.5 times on the liaison Northern Europe

- **Maritime transport**, due to many factors (containerization, management, competition) as from the 80s :

- The concentration on a small number of global carriers.
- The almost total disappearance of shipping companies in the Gulf of Guinea and West Africa.
- Greatly reduced capacity of shipping companies the Maghreb countries, whose organization of transit corridors for freight into the landlocked sub Saharan countries shall help develop their traffic.

2. Port capacities and services

- **The port capacities:**

- The ports of the coastal countries of West Africa and the Gulf of Guinea, Dakar, Abidjan, Lagos, Cotonou and Yaounde, cover the adequate characteristics and appropriate equipment for the accommodation and handling of ships.

- The Maghreb ports, Algiers, Bejaia and Djendjen (Algeria), Tunis, Rades and soon Enfidha (Tunisia) have the adequate infrastructure and equipment to become, through the establishment of facilitation organization, the starting points of new goods transit corridors for the 3 landlocked Mali, Niger and Chad, especially the northern regions of these countries.

- **Port transit time**

- For the Maghreb ports: 39 to 168 days
- For the ports of the Gulf of Guinea: 47 to 576 days

- **Port transit costs**

- For the Maghreb ports: from 200 to 400 €
- For the ports of the Gulf of Guinea: 300 to 350 €

3. Inland transport

- **The existing corridors** for the shipment of trade goods of the 3 countries are:

- Mali: 5 corridors on the respective ports of Dakar, Abidjan, Tema, Lome, Cotonou
- Niger: 3 corridors on the respective ports of Lome, Cotonou, Lagos
- Chad: 1 corridor on the port of Douala

- **New corridors** are possible for the 3 landlocked countries through the Maghreb ports:

- Algeria: Algiers, Bejaia, Djendjen
- Tunisia: Tunis, Rades, Enfidha

- **Distance**

- In favour of the port row of West Africa and Gulf of Guinea for the southern regions of these countries,
- In favour of the Maghreb port row for the northern regions of these countries.

- **Routing time**

- In favour of the port row of West Africa and Gulf of Guinea for the southern regions of these countries,
- In favour of the Maghreb port row for the northern regions of these countries.

- **Inland transport costs**

- The tariffs practiced (ton/km) in the two Maghreb countries are lower than those in force in the sub-Saharan countries,
- The level of tariffs on the liaison with Chad from ports of the Gulf of Guinea is excessive,
- For cities of northern Mali, Niger and N'Djamena, the Maghreb corridor is more advantageous,
- Inland transport costs are more interesting from the ports of the Gulf of Guinea for southern cities of Mali and Niger.

II. Port facilitations

- Many international conventions guarantee the landlocked states freedom of transit through the territory of the transit State.

- The 3 landlocked countries also benefit from numerous agreements on movement of goods and people and transport:

  - within the framework of regional organizations: ECOWAS, UEMOA, CEMAC, ECCAS
  - within their bilateral relations with Algeria and Tunisia.

- In all countries with opening corridors for the 3 landlocked countries, steady improvements are observed in transport technology (containerization, Ro-Ro ships, and dry ports), handling and staff qualifications.

III. Recommendations

- **Basic recommendation**

The opening of corridors for the shipment of trade goods of the 3 landlocked countries Mali, Niger, Chad, from the ports of Algeria and Tunisia

- **Implementation recommendations:**

- The improvement of transport and international transit regulations and procedures in Algeria and Tunisia,
- The development of the trans-Saharan corridor all along the Algerian and Tunisian sections in terms of accommodation and control infrastructure,
- The adoption of different facilitation mechanisms.

- **The trade volume likely to transit through a corridor to be opened from the Maghreb ports**

- A minimum annual volume of 1 million tons on the assumption of 25% of foreign trade of only two countries, Mali and Niger.

- The following effects shall be noted:

  - The creation of an additional port traffic of 15% for a Maghreb port such as Bejaia
  - The creation of an additional road traffic of 130 trucks of 20 tons/day at Algeria's borders with Mali and Niger (currently 17 vehicles of all kinds/day)

4
ADVANTAGES AND CONSTRAINTS ON TRADE BETWEEN THE MEMBER COUNTRIES OF THE TRLC

The analysis of trade between the 6 member countries of the TRLC allowed identifying advantages as well as constraints intervening in the development of this trade.

Overall, these advantages and constraints are presented for trade between the two major sets of countries:

- the two Maghreb countries (Algeria, Tunisia)
- the 4 sub-Saharan countries (Mali, Niger, Chad, Nigeria)

1. The two Maghreb countries, in their trade with the sub-Saharan countries of the TRLC

Advantages

- Supply in a wide range of agri-food and industrial products,
- Expanding demand for agricultural products and livestock in the southern regions
- Real development prospects in progress for the city of Tamanrasset,
- Countries with a coastline on the Mediterranean and with large commercial ports likely to serve as a basis for new transit corridors for goods from Mali and Niger in particular,
- Traditional trade flows between the border populations Algeria - Mali – Niger,
- Development of trade between Algeria and Niger and Mali within the so-called "barter trade" Since 1968.

Constraints

- Chronic weakness of the volume of trade with sub-Saharan countries,
- Pressure of imported manufactured goods from Asian countries (China, India, Pakistan, Turkey ...) on the domestic production and export capacity,
- TSR: section Tamanrasset - border with Mali unachieved (395 km),
- Conditions not yet sufficient for the opening of corridors for the transit of goods towards the sub-Saharan countries,
- Lack of measures for the promotion of Maghreb products in the sub-Saharan countries.

2. The Sub-Saharan countries Mali, Niger, Chad, Nigeria in their trade between themselves and with the TRLC Maghreb countries

Advantages

- Supply in livestock products (livestock, meat, leather and skins), agriculture products (cotton peanut, onion, Arabic gum) and fishing products,
- Demand for agricultural inputs (fertilizers, pesticides, irrigation equipment, tools ...) foodstuffs, medicines, building materials, capital goods,
- Development of mining (oil, gold and uranium) and effects on demand for capital goods and consumer goods,
- Exploitation by the three landlocked countries of many corridors for the transit of goods with the ports of the Gulf of Guinea and west Africa: Cotonou, Lomé, Tema, Lagos, Abidjan, Douala, Dakar,

- Nigerian Branch of the TSR of 1,130 km completed at 100%,
- Active promotion organizations and operators,
- Membership of all countries in common regional organisations (WAEMU, ECOWAS,...) leading to their participation in common development programs, removal of tariff barriers and harmonization of regulations,

Constraints

- General constraints on the development of agricultural production: infrastructure, inputs, energy, organisation, funding,
- Obsolete fleet and improper use of roads,
- Higher overall transport costs: state of roads, controls, taxation, security,
- Non-harmonised customs regulations,
- Lack of acquaintance with the operators (traders, carriers...) with national and international regulations governing the transport and trade of goods,
- Insufficient capacity of market research and surveys.

3. Advantages and constraints of belonging to different regional organizations

- **Advantages:**

- The ease of establishing agreements between the regional organizations of different areas,
- The existence of a framework for cooperation and harmonization of regulations,
- The coordination of economic policies and the increasing negotiation power of common projects with international money lenders,

- **Constraints:**

- The lack of institutional framework to promote exchanges between the TRLC countries given that the landlocked countries belonging to the WAEMU and CEMAC are subject to trade, customs and tax rules prohibiting them from establishing new bilateral trade agreements outside their area of membership without prior approval from the regional institutions,
- The lack of harmonization of agreements and conventions governing transports, customs and transit,
- The lack of professional regional organizations gathering economic actors belonging to different regional organizations.

III
PROPOSALS FOR THE DEVELOPMENT OF TRADE BETWEEN THE MEMBER COUNTRIES OF THE TRLC

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Proposal 1

Creation of an institution for the promotion of trade between the member countries of the TRLC

__________.__________

A
Explanatory statement

- A major objective of the TSR is the development of trade between the countries directly affected by this major communication infrastructure, in particular, and between the two large groups of the continent formed by the Maghreb countries and the sub-Saharan countries, in general.

- It must be noted however that trade between the countries of the TSR remains to this day at a low level both in terms of bilateral trade and trade between the Maghreb and sub-Saharan countries.

- This study has shown the many constraints affecting trade as well as advantages involved in each country and at all levels: production, communication, facilitation and cooperation.

- If the follow-up of the TSR and its promotion within regional and international coordination and funding institutions is fully supported by the TRLC, the evolution of trade around the road is not subject to a systematic action and does not benefit from the action of a special organization.

- But just as the physical development of the TSR found in the TRLC a framework reflecting the will of the six countries to support the economic integration project par excellence for a specific work of coordination, monitoring and promotion, investigation and analysis of this study allowed to observe the need to a similar framework for trade.

B
An organization project

1. Creation

- The instance is created by the Ministers in charge of Foreign Trade of the 6 countries
- The institution is called:

Committee for the support and promotion of trade
between the member countries of the trans-Saharan Road Liaison Committee

As an abbreviation: TRLC - Commerce

2. Missions

The institution is to:

- carry out the specific studies relevant to trade that are of interest to two members or more of the TRLC and having a direct link with the TSR.

- follow up the projects of trade promotion between the countries of the TRLC to be submitted for funding from regional and international banks.

- establish an annual report on trade between the countries of the TRLC (annual update of the results of this study from its resulted database).

- overall, constitute support for the existing regional organizations with an aim to help promoting trade within the TSR area in terms of regulations, funding and cooperation.

3. Status

The institution has a legal status allowing it to operate independently and benefit from the immunities, privileges and facilities granted by each country in this field.

4. The Promotion Committee

The Committee is composed of representatives of the member States (one member and one alternate) responsible at the national authorities in charge of foreign trade.

The Committee consists of an Executive Secretariat.

5. Funding

The budget of the institution is funded by:

- The annual mandatory dues of the member states
- Funds from bilateral and multilateral donors

6. Possible evolution

The development of the Committee's activities may be considered progressively with the possibility of transferring its business to the Chambers of Commerce of the TRLC countries whose coordination has been pre-organized.

Proposal 2

Actions by country to enhance trade between the member countries of the TRLC

The Study has identified actions to be suggested in order to enhance trade between the member countries of the TRLC. Thus, the measures included targeted actions among those responding to the constraints impeding trade, to the authorities' concerns and which shall easily engender projects eligible for priority funding from money lenders.

Country concerned	Projects
Algeria	- Consider a development plan for the Small and medium Industry in Tamanrasset - Implement an action plan to open a corridor for transit of goods from one Algerian port or more to the sub-Saharan countries: port organization, logistics platforms, traffic easing - Strengthen and develop the necessary autonomy to bank branches in Tamanrasset - Restore the regularity of the international fair of Tamanrasset "Assihar" by its **annual** organisation - Study the conditions for declared import of livestock from Mali and Niger - Strengthen the facilitation of entry into and residence in Algeria, particularly in Tamanrasset, for professionals from sub-Saharan countries
Tunisia	- Implement an action plan to open a corridor for transit of goods from Enfidha port to the sub-Saharan countries: port organization, logistics platforms, traffic easing
Mali	- Make a network of boreholes for livestock rearing along the Algerian border - Improve healthcare in the livestock sector - Renew the national goods vehicle fleet, based on: . A program of maintenance capacity development (equipment and training) . The formation of economic interest groups between carriers
Niger	- Improve healthcare in the livestock sector - Renew the national goods vehicle fleet, based on: . A program of maintenance capacity development (equipment and training) . The formation of economic interest groups between carriers - Achieve the dry port of Niamey - Support the Trans-Saharan fair of Niamey - Support the International Fair of livestock and leather
Chad	- Renew the national goods vehicle fleet, based on: . A program of maintenance capacity development (equipment and training) . The formation of economic interest groups between carriers
Nigeria	- Reinforce the institutional and organizational capacities of the NEPC
Common actions	- A training course to facilitate foreign trade regulations required to conduct ongoing outreach to operators and their associations (to be located in the chambers of commerce or export promotion agencies) - A training course to facilitate **international road transport regulations** required to conduct ongoing outreach to operators and their associations (to be located in the chambers of commerce or export promotion agencies) - A program to train specialists in national and international **market studies** (to be located in the chambers of commerce or export promotion agencies)

IV
THE ARAB-AFRICAN TRADE
AND THE ROLE OF THE ABEDA

1
The Arab-African trade

1. Two major geopolitical spaces

Africa and the Arab world can be presented in two major geopolitical regions:

The geopolitical space of sub-Saharan Africa:

	Sub-region	Number of countries	Population Million	GDP Billion US $	GDP per capita US $
1	The Sahel	5	58.2	39.8	683.8
2	West Africa	11	228.3	285.6	1 250.9
3	Central Africa	7	39.4	85.8	2 177.6
4	Great lakes countries	4	111.7	32.8	293.6
5	Southern Africa	9	84.8	155.7	1836.1
6	The Indian Ocean	4	21.8	19.2	881.5
7	Eastern Africa	8	293.5	300.0	1 022.1
8	South Africa	1	48.6	300.4	6181.0
	Total	**49**	**886.3**	**1, 219.3**	**Average 1,375.7**

2. Potential areas of trade development

- **For the sub-Saharan countries**

- The export of mining, agricultural and food products,
- The import of manufactured goods: mechanical, electricity, chemicals and pharmaceuticals, textiles, construction materials, agri-food.

- **For the Arab countries**

- The export of manufactured goods: mechanical, electricity, chemicals and pharmaceuticals, textiles, construction materials, agri-food,
- The import of mineral, agricultural and food products,
- Direct investment in:
  . The development of water, energy and mines resources,
  . The Development of agro-pastoral resources and the related processing industry,
  . The development of logistics for the transport, storage, conservation and processing of manufactured or imported products.

3. Conditions for trade promotion

- The strengthening of regional organizations in their efforts to facilitate trade: harmonization of procedures and instruments and joint training of agents for trade promotion.

- The establishment of coordination structures of the Chambers of Commerce and professional organizations composed of representatives of the Arab-African economic area.

- The involvement of regional and international money lenders in the funding of projects targeted for their direct impact on the acceleration of trade between the countries concerned.

1
The Arab Bank for Economic development in Africa - ABEDA - in the development of Arab-African trade

1. Missions

The ABEDA was created in 1973 by the Arab league. It has the following objectives:

- Participate in the funding of socio-economic development actions of the sub-Saharan countries.
- Encourage investment of Arab capital in African development.
- Participate in the allocation of resources for technical assistance related to development.

2. Achievements (1975-2007)

- EUR 2.5 billion to help finance 412 projects in 43 countries

3. Sectors concerned by projects

This funding is as follows:

- Infrastructure : 56.6%
- Agriculture : 25.6%
- Energy : 06.7%
- Others : 11.1%

4. The ABEDA within the TRLC member countries

<table>
<tr><th rowspan="3">Pays</th><th rowspan="3">Period</th><th colspan="4">Operations</th><th>Sectors</th></tr>
<tr><td colspan="2">Projects</td><td colspan="2">Technical support</td><td rowspan="7">- Roads
- Airports
- Hydraulics
- Agriculture
- Fishing industry
- Training
- Studies</td></tr>
<tr><td>Number</td><td>Amount Mn US$</td><td>Number</td><td>Amount Mn US$</td></tr>
<tr><td>Mali</td><td>1976/2008 – 33 years</td><td>17</td><td>86</td><td>3</td><td>1</td></tr>
<tr><td>Niger</td><td>2002/2009 – 07 years</td><td>8</td><td>44</td><td>5</td><td>1</td></tr>
<tr><td>Chad</td><td>2003/2008 – 05 years</td><td>7</td><td>53.5</td><td>3</td><td>0.5</td></tr>
<tr><td>Nigeria</td><td>2006 – 01 year</td><td>1</td><td>8</td><td>1</td><td>-</td></tr>
<tr><td colspan="2">Total TSR</td><td>33</td><td>191.5</td><td>12</td><td>2.5</td></tr>
<tr><td colspan="2">Total Africa</td><td></td><td>736</td><td></td><td>41</td><td></td></tr>
</table>

5. Projects that may be taken into account by the ABEDA

Country concerned	**Projects**
Mali	- Make a network of boreholes for livestock rearing along the Algerian border - Improve healthcare in the livestock sector - Renew the national goods vehicle fleet, based on: . A program of maintenance capacity development (equipment and training) . The formation of economic interest groups between carriers
Niger	- Improve healthcare in the livestock sector - Renew the national goods vehicle fleet, based on: . A program of maintenance capacity development (equipment and training) . The formation of economic interest groups between carriers - Achieve the dry port of Niamey - Support the Trans-Saharan fair of Niamey - Support the International Fair of livestock and leather
Chad	- Renew the national goods vehicle fleet, based on: . A program of maintenance capacity development (equipment and training) . The formation of economic interest groups between carriers
Nigeria	- Reinforce the institutional and organizational capacities of the NEPC
Common actions	- A training course to facilitate **foreign trade regulations** required to conduct ongoing outreach to operators and their associations (to be located in the chambers of commerce or export promotion agencies) - A training course to facilitate **international road transport regulations** required to conduct ongoing outreach to operators and their associations (to be located in the chambers of commerce or export promotion agencies) - A program to train specialists in national and international **market studies** (to be located in the chambers of commerce or export promotion agencies)