

Concession of Single Window

The Port of Cotonou (Benin) and its Impact on the East-West and North-South Corridors

Eric Sabatier, Senior Vice President,
Government Services & International Trade Business
BUREAU VERITAS

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The Single Window subcontracted to a private operator by the Government as a CONCESSION



- Exclusive authorization granted by the Government to perform the Port and/or National Single Window services
- Skills and expertise of an independent and reliable third party
- Pre-financing by the operator



For the benefit of stakeholders



10 reasons for a country to go for a CONCESSION



Reason # 1: Most of countries have experience in Concession

Reason # 2: Good way to force modernization

Reason # 3: Reduced risks

Reason # 4: Efficient operations

Reason # 5: Private sector to manage labor

Reason # 6: Benefits are quickly visible

Reason # 7: Joint Venture with local stakeholders

Reason #8: Operator is the partner of the Port/Trade Community

Reason # 9: Capacity Building

Reason # 10: Transparency via periodical auditing / tender



Port Single Window Concession _ June 2011

The Single Window ... Before / After



AFTER Before Port Authority Customs Government Shipping Line Agencies Shipping Agent Exporter Freight Forwarder | Importer Inspection Customs Broker Company **NVOCC** Haulier Terminal Import Haulier Stripping **Export** Stuffing Depot

Main objectives



1. Improve the logistics supply chain efficiency



- 2. Reduce risk and processing times, gathering everyone at one stop trade point
- 3. Enhance transparency in Business to Government relations
- 4. Simplification of procedures and formalities

Main objectives



5. Cut down costs



- 6. Create a conducive environment to traders' competitiveness with possibility of working "just in time"
- 7. Increase local logistic competitiveness (International Trade and Investments) in Cross-Border Trade
- 8. Improve visibility for Authorities: statistics and reports

Main objectives



9. Performance of the corridors:

- reduce delivery times
- and increase traffic flow









Example of Benin

Port Single Window of Cotonou



Objectives of Benin concession

Addressing three national strategic objectives:

- becoming the regional trade and transport hub for the development of land locked countries (Nigeria, Niger, Burkina Faso, Mali)
- complying with international trade facilitation and security standards
- increasing revenue collection

Concession framework features the following key points:

- BUREAU VERITAS / SOGET in joint venture with public and private stakeholders
- 10 year concession
- 100 % CAPEX and OPEX financing
- Performance project driven by service level agreement
- Capacity building
 - "Opting for a concession agreement is the most promising vehicle for the Government requiring no public financial resources while providing efficient operations, immediate results and reducing risks"

Strategic Partnership



Combination of skills of

A world leader in port and logistics software developer in accordance with the WCO SAFE, **SOGET**

with those of a world leader in trade facilitation and management of securing programs on behalf of Governments, **BUREAU VERITAS**



Bureau Veritas, local Integrator and Operator



- Implementation of the Port single Window project along with SOGET
- Gap analysis
- Capacity building
- Optimization of procedures
- Training of all stakeholders
- Change management
- ► 24/7 operations
- Reporting
- Interoperability



Stakeholders

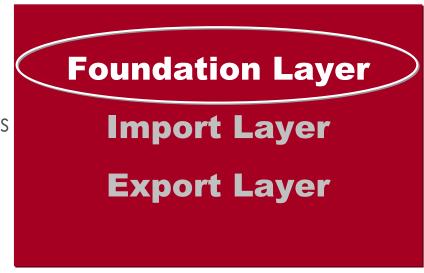
- Port Autonome de Cotonou
- Customs
- SOBEMAP (stevedore)
- CNCB (shippers)
- CNERTP (public works)
- CCIB (chamber of commerce)
- Port Terminals
- Shipping agents & Shipping companies
- Freight Forwarders & Customs Brokers
- NVOCCs
- Logistic operators
- Warehouses, CFS
- Container depot
- Truck operators
- Rail
- Port services providers
- Banks





Foundation layer

- Vessel Traffic Management:
 - Calls and schedules, vessel management
- Cargo Management System:
 - container, general cargo, liquid & dry bulk, roro...
- Intermodal Management system: truck, rail, inland terminal
- Import, Export, Transhipment & Transit
- Global invoicing (BFU) & E-Payment
- Cargo Exchange
- Tracking & Tracing
- Statistics
- Interoperability:
 - Port system, Shipping lines systems
 - Intermodal systems
 - Asycuda
 - Other Government Agencies
 - Banks



Import Layer

- Submission of the manifest
- Transhipment management
- Cargo discharge
- Customs Clearance
- Delivery Order
- Inland Carrier Identification
- Gate-Out authorization
- Gate-Out
- Gate-Out of the container under Customs control (LCL)
- LCL (House Manifest, Stripping operations, Customs clearance of the goods
- Intermodal management (Rail, Truck, inland terminal)
- Gate-in at the empty containers depot

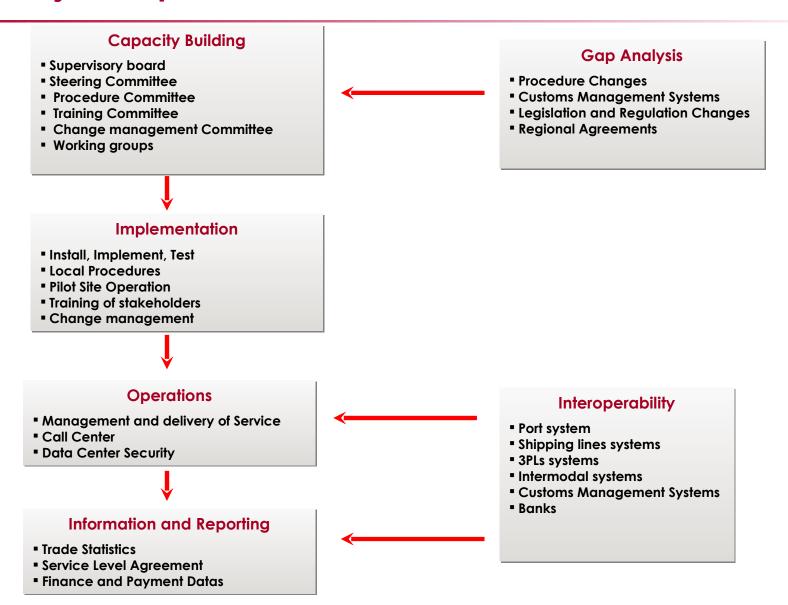


Export Layer

- Booking Confirmation
- Empty Container release order
- Empty Container Gate-Out
- Empty Container Gate-In at exporter
- Laden Container Gate-Out at exporte
- Intermodal management (rail, truck, inland terminal)
- Customs Clearance
- Customs Authorisations to move the containers
- Loading Authorisation Shipping Line
- Loading Authorisation Forwarding Agent
- Stuffing under Customs Control
- Gate-In at the Terminal
- Loading on board
- EU ICS filing



Project Implementation



Concession Framework



Key features of the Concession Framework 1 /4

Concessioning Authority

- "Ministre Délégué auprès du Président de la République chargé de l'Economie Maritime, des Transports Maritimes et Infrastructures Portuaires"

Purpose of the concession

- to implement and operate the Port Community System

Binding documents

- Ministry Decrees

Operating Company

- Joint Venture between BUREAU VERITAS/SOGET Joint Venture and Benin shareholders (PAC, SOBEMAP, CNCB, CNERTP, CCIP)
- Equity split: 70% for BUREAU VERITAS/SOGET JV and 30% for Benin Shareholders
- BUREAU VERITAS/SOGET dilution overtime

Key features of the Concession Framework 2 /4

Activities under the Concession Agreement

- to automate all supply chain business processes
- to implement the Port Single Window
- to operate and maintain the Port Single Window
- to train the stakeholders
- to lead change management through nation wide communication
- to provide reporting data
- to manage billing operations

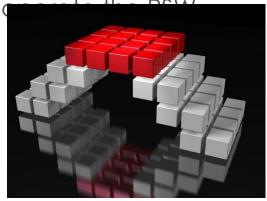
Obligations of Concessioning Authority

- to provide an exclusivity
- to provide the concessionaire with no restriction to manage its operations
- to facilitate request for information to all stakeholders
- to take any action to facilitate the mission of the concessionaire

Key features of the Concession Framework 3 /4

Obligations of the Concessionaire

- to recognize the authority of PAC
- to implement the Port Single Window
- to operate the PSW according to existing national laws & international
 - standards
- to process a gap analysis
- to provide a change management plan
- to provide a procedures and trade facilitation plan
- to provide a training plan
- to put in place the right human resources to a
- to set up a call center
- to run beta sites
- to operate 7/7 24/24 operations
- to provide maintenance and support
- to provide monthly statistical data and KPIS
- to comply with the transaction fee
- to manage billing operations
- to invest for hardware, software and telecoms upgrade as required



Key features of the Concession Framework 4 /4

Transaction Fee

- FCFA Transaction fee by BFU based cargo declaration according to
 - agreed business plan
- Transaction fee to be adjusted according to declaration volume
- Inflation-indexed transaction fee

Licence fee to the Concessioning Authority

- Licence fee

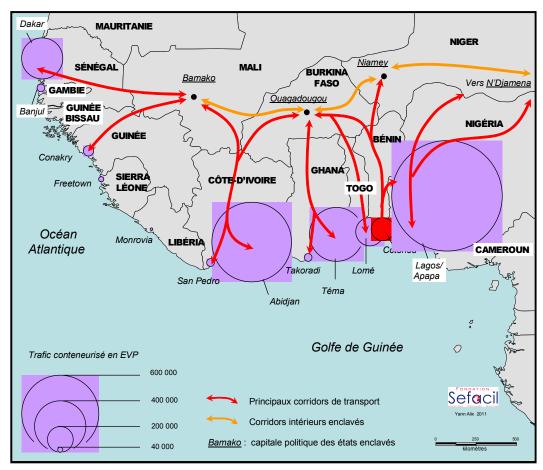
Reporting and Audit

- Yearly Balance Sheet & Operating statements
- Annual Report
- Yearly Audit

Concession Period

- 10 Years
- Acquisition of Assets at the end of the term

Impact on the East-West and North-South Corridors



Source: Sefacil Foundation

Leading the sub region

Sub region positioning

	Ghana	Togo	Benin	Nigeria
Trading across borders	89	93	127	146
Procedure days to export	14	18	20	17
Procedure days to import	22	22	24	31

Target procedure days: 10





Move Forward with Confidence

Thank You

eric.sabatier@bureauveritas.com