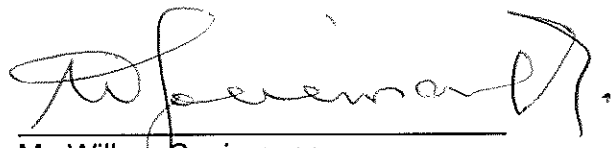


RECORD OF DISCUSSIONS
ON
THE PROJECT ON MASTER PLAN FOR DEVELOPMENT OF AN
INTERNATIONAL LOGISTICS HUB FOR SADC COUNTRIES
IN
THE REPUBLIC OF NAMIBIA
AGREED UPON BETWEEN
NATIONAL PLANNING COMMISSION
AND
JAPAN INTERNATIONAL COOPERATION AGENCY

Windhoek, 10 October 2013



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Based on the minutes of meetings on the Detailed Planning Survey on the Project on Master Plan for Development of an International Logistics Hub for SADC Countries in the Republic of Namibia (hereinafter referred to as "the Project") signed on 4 October, 2013 between National Planning Commission (hereinafter referred to as "NPC") and the Japan International Cooperation Agency (hereinafter referred to as "JICA"), JICA held a series of discussions with NPC and relevant organizations to develop a detailed plan of the Project.

Both parties agreed to the details of the Project and the main points discussed as described in the Appendix 1 and the Appendix 2 respectively.

Both parties also agreed that NPC, the counterpart to JICA, will be responsible for the Project in cooperation with JICA, coordinate with other relevant organizations and ensure that the self-reliant operation of the Project is sustained during and after the implementation period in order to contribute toward social and economic development of the Republic of Namibia (hereinafter referred to as "Namibia").

The Project will be implemented within the framework of the Note Verbales exchanged on 13 June, 2013 between the Government of Japan (hereinafter referred to as "GOJ") and the Government of the Republic of Namibia (hereinafter referred to as "GRN").

The effectiveness of the record of discussions is subject to an internal procedure of JICA.

Appendix 1: Project Description
Appendix 2: Main Points Discussed

PROJECT DESCRIPTION

I. BACKGROUND

Namibia borders with Angola, Botswana, South Africa, and Zambia, and has good access to these countries and other countries through good ports and trunk roads, and huge potential to be an international logistics hub for Southern African Development Community (SADC) countries.

One of the Desired Outcomes stipulated in the Fourth National Development Plan (NDP4), which is a roadmap of Namibia up to 2016/17, is to lead Namibia to be a regional leader in logistics and distribution. In order to realize this, NDP4 included preparation of a "National Logistics Master Plan" that provides a detailed future image of Namibia as an international logistics and distribution centre and identifies key policy measures and actions to be taken to promote and invite logistics industries in Namibia.

The GRN, embarking upon this new challenge of development, requested the GOJ to provide technical cooperation for development planning on "The Project on Master Plan for Development of an International Logistics Hub for SADC Countries in the Republic of Namibia".

II. OUTLINE OF THE PROJECT

1. Title of the Project

The Project on Master Plan for Development of an International Logistics Hub for SADC Countries in the Republic of Namibia

2. Expected Goals which will be attained after the Project Completion

(1) Goal of the Proposed Plan (Objective of the Project)

The Government of Namibia uses the International Logistics Hub Master Plan as a part of the "Logistics Nation" Strategy.

(2) Goal which will be attained by utilizing the Proposed Plan (Overall Goal)

(a) Accelerated economic growth by development of Namibia as a "Logistics Nation", which will contribute to making SADC as a region more competitive in global market

(b) Accelerated growth of other sectors in Namibian economy spearheaded by logistics industry,

(c) Increased employment and improved income equality in Namibia

3. Outputs

International Logistics Hub Master Plan:

(a) Development strategies and implementation plans which aims to formulate a "Logistics Nation" for Namibia with a target year of 2025

(b) A long list of strategic projects, and profiles for the selected priority projects

(c) A set of action plans including resource allocation and capacity building

- (d) Involvement of local stakeholders in making process of International Logistics Hub Master Plan as a set of common framework to realize "Logistics Nation"
- (e) Dissemination of International Logistics Hub Master Plan as a set of common framework to promote "Logistics Nation", to the international donors and investors

4. Study Items

Phase 1: Review of current situation of the study area

- Review of economic situations of Namibia and SADC countries
- Review of industrial activities and value chain in Namibia and SADC countries
- Review of international logistics network in Namibia and SADC countries
- Review of the results of "National, Regional and International Integrated Transport Master Plan"
- Review of the factors regarding Environmental and Social Considerations including Strategic Environmental Assessment (hereinafter referred to as "SEA").

Phase 2: Formulation of the International Logistics Hub Master Plan

- Preparation of a development vision with target year of 2025
- Forecast of logistics demand and scenario setting of Namibian position as an international logistics hub in SADC
- Identification of major issues and critical success factors
- Assessment of the existing plans and projects
- Formulation of comprehensive international logistics hub strategies
- Formulation of institutional development plan
- Formulation of a long list and outlines of candidate development projects with target years of 2020 and 2025
- Conducting Strategic Environmental Assessment in accordance with JICA Guidelines for Environmental and Social Considerations (April 2010)

5. Input

(1) Input by JICA

(a) Dispatch of Mission

Mission covering the following areas will be dispatched.

- Regional Economy / Logistics Nation Strategy (Team Leader)
- Industrial Development/ Investment Promotion/ Project Evaluation
- Logistics Policy / Trade Facilitation
- Logistics Business Model
- Logistics Demand Forecast / Transport Analysis
- Urban Development
- Logistics Facility
- Public Private Partnership / Project Administrator
- Railway Planning
- Port Planning
- Road Planning

- Airport Planning
 - Environmental and Social Considerations
 - GIS
- (b) Counterpart training in Japan and/or third countries

Input other than indicated above will be determined through mutual consultations between JICA and NPC during the implementation of the Project, as necessary.

(2) Input by NPC

NPC will take necessary measures to provide at its own expense:

- (a) Services of Namibian counterpart personnel and administrative personnel as referred to in II-6;
- (b) Suitable office space with necessary equipment to accommodate both the Japanese mission and Namibian counterpart personnel and administrative personnel;
- (c) Supply or replacement of machinery, equipment, instruments, vehicles, tools, spare parts and any other materials necessary for the implementation of the Project other than the equipment provided by JICA;
- (d) Information as well as support in obtaining medical service;
- (e) Credentials or identification cards;
- (f) Available data (including maps and photographs) and information related to the Project;
- (g) Running expenses necessary for the implementation of the Project; and
- (h) Necessary facilities to members of the JICA missions for the remittance as well as utilization of the funds introduced into Namibia from Japan in connection with the implementation of the Project

6. Implementation Structure

The Project organization chart is given in the Annex1. The roles and assignments of relevant organizations are as follows:

(1) NPC

(a) Initiator

NPC will be responsible for overall coordination of the Project.

(2) Ministry of Works and Transport

(a) Supervisor of Implementer

Ministry of Works and Transport will be responsible for supervision of implementation of the Project

(3) Walvis Bay Corridor Group

(a) Implementer

Walvis Bay Corridor Group (WBCG) will be responsible for daily operations and implementation of the Project.

(4) JICA Mission

The JICA mission will give necessary technical guidance, advice and recommendations to NPC on any matters pertaining to the implementation of the Project.

(5) Steering Committee

Steering Committee (hereinafter referred to as "S/C") will be established in order to facilitate inter-organizational coordination. Detailed functions and composition of S/C are shown in the Annex 2.

(6) Stakeholders Meeting

Stakeholders Meeting (hereinafter referred to as "SHM") will be organized in relevant areas to involve stakeholders and facilitate their inputs. Detailed functions and composition of SHM are shown in the Annex 3.

7. Project Site(s) and Beneficiaries

The Project will cover whole area of the country.

The beneficiary of the project will be the whole nationals of Namibia

8. Duration

The Project will be implemented for approximately 14 months as shown in Annex 4. The schedule is provisional and subject to change when both parties agree upon the necessity that may arise in the course of implementation of the Project

9. Reports

JICA will prepare and submit 50 copies of the following reports to the NPC in English.

- (1) Inception Report at the commencement of the first work period in Namibia
- (2) Progress Report at the time about 5 months after the commencement of the first work period in Namibia
- (3) Interim Report at the time of 9 months after the commencement of the first work period in Namibia
- (4) Draft Final Report at the end of the last work period in Namibia
- (5) Final Report within one (1) month after the receipt of the comments on the Draft Final Report

10. Environmental and Social Considerations

NPC agreed to abide by 'JICA Guidelines for Environmental and Social Considerations' in order to ensure that appropriate considerations will be made for the environmental and social impacts of the Project.

(Terms of Reference of the mission member in charge of environmental and social considerations shall be agreed in written form between JICA and NPC with one (1) month after signing of the R/D)

III. UNDERTAKINGS OF THE GRN

1. The GRN will take necessary measures to:

- (1) ensure that the technologies and knowledge acquired by the Namibian nationals as a result of Japanese technical cooperation contributes to the economic and social development of Namibia, and that the knowledge and experience acquired by the personnel of Namibia from technical training as well as the equipment provided by JICA will be utilized effectively in the implementation of the Project; and
- (2) grant privileges, exemptions and benefits to members of the JICA missions referred to in II-5 (1) above and their families, which are no less favorable

than those granted to experts and members of the missions and their families of third countries or international organizations performing similar missions in Namibia.

2. The GRN will take necessary measures to:

- (1) provide security-related information as well as measures to ensure the safety of members of the JICA missions;
- (2) permit members of the JICA missions to enter, leave and sojourn in the GRN for the duration of their assignments therein and exempt them from foreign registration requirements and consular fees.

3. Other privileges, exemptions and benefits will be provided in accordance with the Note Verbales exchanged on 13 June, 2013 between the GOJ and the GRN.

IV. EVALUATION

JICA will conduct the following evaluations and surveys to mainly verify sustainability and impact of the Project and draw lessons. The NPC is required to provide necessary support for them.

1. Ex-post evaluation three (3) years after the project completion, in principle
2. Follow-up surveys on necessity basis

V. PROMOTION OF PUBLIC SUPPORT

For the purpose of promoting support for the Project, NPC will take appropriate measures to make the Project widely known to the people of Namibia.

VI. MUTUAL CONSULTATION

JICA and NPC will consult each other whenever any major issues arise in the course of Project implementation.

VII. AMENDMENTS

The record of discussions may be amended by the minutes of meetings between JICA and NPC.

The minutes of meetings will be signed by authorized persons of each side who may be different from the signers of the record of discussions.

Annex 1 Project Organization Chart

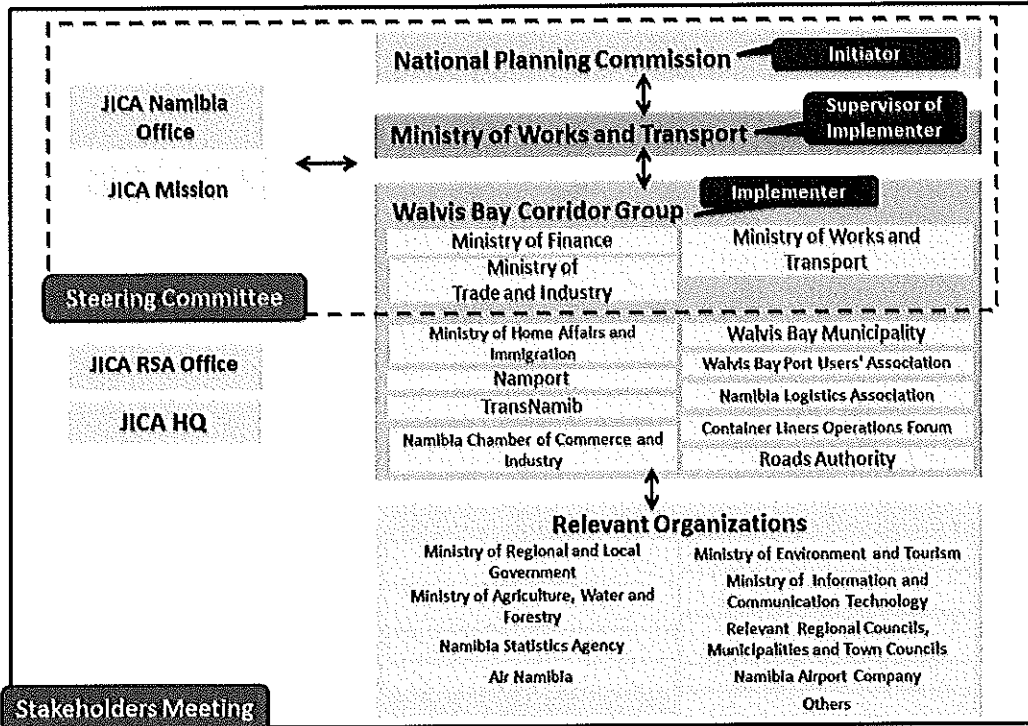
Annex 2 Functions and Composition of Steering Committee

Annex 3 Functions and Composition of Stakeholders Meeting

Annex 4 Project Schedule

Project Organization Chart

Implementation Structure



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Functions and Composition of Steering Committee

1. Function

The Steering Committee shall fulfill the following functions and hold meetings when the JICA mission submits reports and/or whenever necessity arises;

- (1) To monitor and supervise the entire Project;
- (2) To discuss and approve the reports;
- (3) To coordinate among authorities concerned;
- (4) To review and exchange views on major issues arising from SHM or in connection with the Project;
- (5) To support the JICA mission by providing necessary arrangement; and
- (6) To coordinate the Project and the Stakeholders Meeting.

2. Composition

(1) Namibian side

Chairperson: National Planning Commission

Vice Chairperson: Ministry of Works and Transport

Members: Representative from;

- a. National Planning Commission
- b. Ministry of Works and Transport
- c. Ministry of Finance
- d. Ministry of Trade and Industry
- e. Walvis Bay Corridor Group

(2) Japanese side

- a. Resident Representative, JICA Namibia Office
- b. Team Leader, JICA Mission
- c. Officials of Embassy of Japan as observer

Other observers may attend the Committee meetings upon the agreement between the Chair and JICA.

Functions and Composition of Stakeholders Meeting

1. Function

The Stakeholders Meeting shall fulfill the following functions and hold meetings whenever the need arises;

- (1) To facilitate understandings among stakeholders of the process and the outputs of the Project;
- (2) To collect comments from stakeholders on the reports;
- (3) To support coordination among stakeholders; and
- (4) To review and exchange views on major issues arising from or in connection with the Project

2. Composition

(1) Namibian side

Chairperson: National Planning Commission

Vice Chairperson: Ministry of Works and Transport

Members: Representative from;

- a. National Planning Commission
- b. Ministry of Works and Transport
- c. Walvis Bay Corridor Group
- d. Ministry of Finance
- e. Ministry of Trade and Industry
- f. Ministry of Home Affairs and Immigration
- g. Ministry of Regional and Local Government
- h. Ministry of Environment and Tourism
- i. Ministry of Information and Communication Technology
- j. Ministry of Agriculture, Water and Forestry
- k. Relevant Regional Councils
- l. Relevant Municipalities and Town Councils
- m. Namibia Statistics Agency
- n. Namibian Ports Authority
- o. Roads Authority
- p. Trans Namib Holdings Ltd
- q. Namibia Chamber of Commerce and Industry
- r. Namibia Logistics Association
- s. Container Liners Operations Forum
- t. Walvis Bay Port Users' Association
- u. Air Namibia
- v. Namibia Airport Company

(2) Japanese side

- a. Resident Representative, JICA Namibia Office
- b. Team Leader, JICA Mission

3. Meeting Arrangement

The Stakeholders Meetings are organized by NPC supported by WBCG. The Meetings will be held in several key locations such as Windhoek, Coast, North and South.

Other organizations may attend the Committee meetings upon the agreement between the Chair and JICA.

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Tentative Project Schedule

The Project will be carried out for approximately 14 months as shown below.

Cumulative Month	1st	2nd	3rd	4th	5th	6th	7th	8th	9th	10th	11th	12th	13th	14th
Project														
Reports	△ IC/R				△ PR/R				△ IT/R				△ DF/R	△ F/R

IC/R: Inception Report
 PR/R: Progress Report
 IT/R: Interim Report
 DF/R: Draft Final Report
 F/R: Final Report

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MAIN POINTS DISCUSSED

1. Environmental and Social Considerations

- (1) Terms of reference of the mission member in charge of Environmental and Social Considerations shall be agreed in written form between JICA and NPC within one (1) month after signing of R/D.
- (2) In case that GRN needs to submit SEA report after the Project, in accordance with the domestic laws and regulations, the Project shall provide GRN with related information and data acquired in the Project for the SEA report during the project implementation.

2. Disclosure of the report

JICA and NPC agreed that the Final Report shall be open to the general public.

3. Format of the reports

JICA and NPC agreed that JICA will prepare and submit reports referred in II.9 both in paper and electronic format.

4. Framework of the Project

The GRN provided the attached document "TERMS OF REFERENCE FOR A LOGISTICS MASTERPLAN FOR NAMIBIA" as a reference document. Both parties resolved that the "Phase 3: Feasibility Study" in the reference document would not be carried out as part of the Project, due to time and financial constraints. The GRN would request the Government of Japan for further cooperation to carry out the Phase 3 in the future.

Annex: Terms of Reference for a Logistics Masterplan for Namibia



TERMS OF REFERENCE FOR A LOGISTICS MASTERPLAN FOR NAMIBIA

1. BACKGROUND

Namibia is strategically located on the west coast of Southern Africa and ideally placed to serve the SADC region and specifically the landlocked countries as a logistics hub as indicated in the National Development Plan IV. Namibia has for years been developing into an increasingly important transit country for goods from or going to landlocked countries in southern and central Africa. The economic growth of the SADC countries such as Angola, Botswana, Zimbabwe, Democratic Republic of the Congo and Zambia has resulted in an increase of handling of transit goods via Namibia. Freight across the main borders of Namibia has increased from 2,255,751 tonnes in 2007 to 3,786,571 tonnes in 2011 that is an increase of 59.6%.

The increasing freight volumes have both increased the strains on existing transport infrastructure as well as identified a need for more proactive logistics and transport planning to accommodate future growth. The national development strategies emphasize the challenge of balancing the maintenance of existing logistics and transportation infrastructure, the expansion of the infrastructure network to uncovered places in rural areas and the improvement of transport linkages to neighbouring countries. Vision 2030, the National Poverty Reduction Action Plan and the National Development Plan IV (NDP IV) for the period 2012/2013-2016/2017 are relevant strategy papers in which the Namibian government presents its long-term development goals and the strategy for their realisation. In these development strategies, Namibia attributes considerable significance to the logistics and transport sector, with regard to poverty reduction and economic development as well as within the framework of regional integration in the SADC region.

A recent study by the Japanese International Cooperation Agency (JICA) identified a number of challenges and constraints for economic development in Namibia. These include:

- Weak employment generation by existing industry;
- Small population size and low performance of Labour force;
- Dependent economic relationship with South Africa; and
- Need for the clearer development strategy and development scenario.

This same study also identified a number of opportunities for economic development, including:

- Good location and access to inland neighbouring countries; and
- Rapid economic development in the surrounding countries.

Given these constraints and opportunities, one of the most viable Sectors to be a main stay of economic development in Namibia is Logistics.

A 3-phased approach table to the development of Namibia as a "Logistics Nation" is attached as annex 1.

In the **first phase**, namely the phase of "Transport Corridor", the focus is on taking a sizable share in the regional market of international transportation, and expansion and upgrading of infrastructure that are needed to accommodate that large quantity of flow of goods.

In the **second phase**, namely "Economic Corridor", the focus will be put on evolving Namibia as one of the regional distribution centres by developing the functions of supply and distribution depot for the region.

In the **second phase**, namely “Economic Corridor”, the focus will be put on evolving Namibia as one of the regional distribution centres by developing the functions of supply and distribution depot for the region.

A National, Regional & International Integrated Transport Master Plan for Namibia has been commissioned with the assistance of the EU – Africa Infrastructure Trust Fund and the European Investment Bank in February 2012. This Transport Master Plan focus on the projection of transport needs and opportunities for a period of 30 years and looks at the full integration of the various modes of transport and the development of an optimized system. It presents a long-term development path to establish an integrated multimodal transport system and to identify various transport development projects to remove bottlenecks in the present system in order to expand the capacity of all modes of transport to their full potentials.

Under the 3-phased approach proposed in the JICA report, the next step in the development of Namibia as a “Logistics Nation” is the establishment of “Economic Corridors”. Given an integrated transport system and substantial increases in the volume of international cargo, “Economic Corridors” are ready to evolve from “simple paths of cargo” to a “network of supply and distribution depots” for the region. This, in turn, requires a “National Logistics Master Plan” that provides a detailed future image of Namibia as an international logistics & distribution centre and identifies key policy measures and actions to be taken to promote and invite logistics industries in Namibia. The “Logistics Master Plan” should define a framework of a future image of international logistics network, future population distribution in accordance with expected growth in the logistics/ distribution industry, spatial distribution of economic growth, and generation of jobs.

2. OBJECTIVE OF THE STUDY

Overall objective

The overall objective of the Logistics Master Plan is to identify the location of strategic logistics hubs, develop a plan for the logistics hubs and distribution parks, identify and scope the location and capacity of the requisite infrastructure, identify required trade facilitation policies, procedures and projects, and identify policy measures to be taken for promotion of logistics industries and inviting international logistics companies. In addition, key issues pertaining to technology (particularly information and communications technologies), training and skills, market access and facilitation, financing and climate change and environmental protection should also be identified. This master plan is expected to be a common platform for the public sector, private sector, and local government to share visions, priorities, and framework of planning and implementation.

In order to improve logistics infrastructure in a sustainable manner and to strengthen the country’s institutional capacities, the study outcome will be broadly divided into two parts, namely physical plan and non-physical plan including regulatory, institutional and organized reform & restricting plan, business development plan as well as a financing plan. In the course of the project, it is expected that the Consultant shall provide on-the-job training to the counterpart members.

Purpose

The primary objective of this study is to establish a development framework and strategies to make Namibia one of the regional logistics and distribution centre in SADC region. In order to achieve such a strategic objective, four sub-objectives are prepared as follows:

- To investigate the current domestic situation, international experiences, and the trend of logistics business in terms of transport network, commodity demand, supply-chain structure, related software and hardware systems, especially focusing on goods movement within SADC member countries.
- To make comparative analysis on logistics infrastructure and facilities in terms of system, supply-chain management, cost, route, handling processes, legal and regulatory settings, and logistics business and economic sector development in Namibia, and domestic market projection to compete with the other distribution centres in SADC, most likely the ones in South Africa.
- To recommend necessary policy measures, incentive as well as changes in legal and regulatory framework to facilitate the international logistics business in Namibia, and invite logistics companies including international ones to Namibia at large, and more specifically, to the inland logistics park.
- To conduct prefeasibility studies for proposed inland logistics hubs and distribution parks and One Stop Border Posts (OSBP).

The results of this Logistics Master Plan study are expected to provide essential inputs towards concrete actions to be taken by public and private sectors for development of the logistics hub and related business in Namibia.

3. SCOPE OF THE WORK

3.1 Objectives

The Namibian Government together with the services of the Japanese team of experts are required to undertake a study for the Logistics Master Plan for Namibia. The study will include formulation of short term (3-5 years) and long – term (5-20 years) transport sector development plans.

The specific objectives of this study are:

- To prepare a comprehensive logistics policy and system development plan for Namibia with the target year of 2030 that will be a shared vision and common implementation platform for the public and private sectors and in line with Vision 2030,
- To identify a set of strategic policy measures to facilitate growth of the logistics business in Namibia, and,
- To identify location of an inland logistics park development,
- To prepare the feasibility studies for the priority inland logistics hubs and distribution parks and associated system development, whilst taking due cognisance of the socio – economic impact of these developments
- To prepare the feasibility studies for “One Stop Border Posts” at identified borders.
- To improve capability of MWT, WBCG, MTI and MOF staff related to the field of logistics business development, including other relevant sectors and institutions, to ensure institutional knowledge transfer
- Integration of ICT as an important sector to facilitate and accelerate the growth in the transport and logistics sector

3.2 Geographical area to be covered

Namibia and its neighbouring countries, where relevant.

Specific activities

The Study shall be conducted in a phased manner, being divided into three phases as follows;

- Phase 1: formulation of study approach and data collection/analysis

- Phase 2: Formulation of logistics and distribution sector development policy and plan
- Phase 3: feasibility study of priority inland logistics infrastructure and logistics facilities (e.g. inland logistics parks and OSBP).

After the third phase then there shall be the development of an action plan for implementation of various sub-sector activities as well as a well-defined monitoring process of the Logistics Master Plan.

Phase 1: Formulation of study approach and data collection/analysis

Task 1: Alignment of the Logistics Master Plan to the National, Regional & International Integrated Transport Master Plan for Namibia

The consultants shall ensure that the Logistics Master Plan is aligned to the National, Regional & International Integrated Transport Master Plan for Namibia.

Task 2: Review of Current Situation of Logistics

In order to assess the existing demand and supply condition of logistics, the consultant shall carefully review necessary information and identify critical issues in the following fields:

- Potential of domestic and international road, port, air and rail-based logistics business in Namibia and related service using the inland logistics park or similar facilities;
- Physical and non-physical incentives for private sector to invest in the logistics business in Namibia and SADC;
- Set an analytical and planning framework (population, volume and geographical distribution of economic activities and employment, and etc.);

Task 3: Analysis on prevailing business models of international logistics in SADC

The consultant shall identify prevailing business models of the logistics through investigation of the current business practice in SADC. The task should identify major types of road-based cargo commodity, supply chain structure, then the strength and weakness of each type of logistics business. At the same time, good incentive policies applied to such road, port, air and rail-based cargo logistics business by the public sector shall be identified.

Task 4: Analysis of Commodity Flow Service in Namibia

The consultants shall analyse potential commodities of the future logistics business in Namibia. Production, consumption, import and export patterns of such commodities should be carefully analysed. As the output of this task, the consultant is required to propose potential goods for further analysis in this study.

Task 5: Analysis of Competitiveness of inland logistics park

The consultant shall assess the competitiveness of the inland logistics parks in Namibia in terms of their geographic location, coverage of freight service, hinterland development, proximity to commodity production and consumption places, and various services provided at the inland logistics park. The analysis on the services shall address transport offer in term of infrastructure, cargo handling services, information and technology, time and costs, and inter- and multi-modal transport capabilities.

Task 6: Potential Industries and Business Models

For the selected goods identified in Task 3, more detailed existing supply chain conditions shall be analysed via interviews with relevant transport and logistics stakeholders/details data of their movements in Namibia. The existing logistics business model in Namibia, which is identified in terms of supply chain management structure, shall be compared with the international exercises in order to find their

weakness and/or critical bottlenecks. As the one analytical framework, the supply chain information shall include types of cargo and types of commodity, volume and value, type and method of packing, transportation mode, route, expenses and time, as well as the structure of logistics process. As the output of this task, weakness and critical bottlenecks shall be identified in terms of mainly regulatory and institutional framework. Similarly, critical constraints in logistics infrastructure, i.e. cargo handling system, information and communication technology, security keeping technology, faster and lower transportation means shall also be identified.

Phase 2: Formulation of logistics and distribution sector development policy and plan

Task 7: Development Strategy

Based on the analysis in Task 5, the consultant shall formulate a Master plan for National Logistics development in Namibia. This should include both physical and non-physical measures to encourage logistics development in Namibia. It should also recommend measures and incentives, and the necessary changes in legal and regulatory frameworks in order to facilitate logistics and encourage domestic logistics companies.

The recommendation shall include but not limited to the following areas:

- Overall logistics development policy and strategy
- Legal and regulatory scheme, including taxation, company licensing, etc.;
- Organizational development (recommend necessary organizations to facilitate domestic logistics company in the international logistics business in SADC)
- Human resource development (capacity building);
- Environmental assessment;
- Inland logistics park development; and
- Infrastructure, facility and information and communication technology.

Task 8: Conceptual Action Plan

The consultant shall recommend a conceptual plan for implementation of the development strategy and incentives recommended in Task 6. The action plan should be realistic and applicable.

Phase 3: Feasibility study on priority inland logistics infrastructure and logistics facilities

For the priority inland logistics infrastructure and logistics facilities identified, feasibility studies shall be conducted as follows:

Task 9: Feasibility Study on Inland Logistics Park

The feasibility study shall include, but not limited to the following:

- Marketing Analysis and Demand Forecast;
- Preliminary design of the inland logistics park;
- Land acquisition plan if necessary;
- Preliminary construction schedule and methodology;
- Preliminary cost estimation;
- Initial Environment Evaluation;
- Environment Impact Assessment based on the relevant law of Namibia
- Financial viability analysis;
- Financing plan, and

- Recommendations and implementation plan.

Task 10: Feasibility Study on "One Stop Border Post"

The feasibility study shall include, but not limited to the following:

- Demand Forecast;
- Preliminary design of the OSBP;
- Land acquisition plan if necessary;
- Preliminary construction schedule and methodology;
- Preliminary cost estimation;
- Initial Environment Evaluation;
- Environment Impact Assessment based on the relevant law of Namibia
- Financial viability analysis;
- Financing plan, and
- Recommendations and implementation plan.

Task 11: Formulation of Action Plan

The major output of Task 10 is to establish an executable investment program in terms of fund mobilization and necessary institutional and organization arrangement in order to implement the identified land logistics centre projects, taking into account:

- Absorptive capabilities of the central local governments;
- Availability of local fund;
- Availability of international assistance and private sector's funds; and
- Revenue from users.

A capacity building program for government staff shall also be prepared in Task 10.

4. COST IMPLICATIONS

The Government of Japan through the Japan International Cooperation Agency (JICA) will fund the study leading to the "Master Plan for the Development of an International Logistics Hub for SADC countries in the Republic of Namibia" under the umbrella of the fifth Tokyo International Conference for African Development (TICAD V). The Government of the Republic of Namibia, through the Ministry of Works and Transport, will make its contribution in kind by providing office space and facilities, counterpart staff, and support services.

5. ADMINISTRATION

5.1 Responsible body

The National Planning Commission will act, as Contracting Authority and Promoter while the executing agency responsible for this study will be the Walvis Bay Corridor Group (WBCG) under the supervision of the Ministry of Works and Transport (MWT).

5.2 Current state of affairs in the relevant sector

A number of studies and master plans are available for the different transport sub-sectors or are currently being revised. Amongst them are:

- the Medium to Long Term Roads Master Plan, on-going, available by mid-2011;

- the Regional Roads Master Plans, 2008 and 2010;
- the pre-feasibility study for the Trans Kalahari Railway Line, 2010;
- the feasibility study for the new container terminal in Walvis Bay, 2010;
- the economic market study for the new container terminal in Walvis Bay, on-going, available by mid-2011;
- the feasibility study for the Cape Fria to Katima Mulilo Northern Railway Extension;
- the Japanese International Cooperation Agency (JICA): Data Collection Survey on the Namibia – Japan High Level Forum on Economic Development in the Republic of Namibia;
- The National, Regional & International Integrated Transport Master Plan for Namibia;
- The Port Master Plan;
- Air Transport Plan; and

5.3 Time frame

The intended commencement date of the study on the logistics master plan is February 2014 and should be completed by April 2015. The study implementation schedule is shown below.

Phase 1:	Formulation of study approach and data collection /analysis
Phase 2:	Formulation of logistics sector development policy and plan
Phase 3:	Feasibility on priority inland logistics park project and associated facilities and One Stop Border Posts

5.4 Reporting

The Japanese experts are required to submit progress reports on the implementation of the study to the National Planning Commission, with a copy to the Ministry of Works and Transport and the Walvis Bay Corridor Group. Such reports will be reviewed by the Inter – Ministerial Technical Committee before endorsement by the accounting officers and political principals.

Report	Submission Date
Inception Report	February 2014
Monthly Progress Reports	Monthly, starting one month after the Inception Report
Interim Progress Reports	At the conclusion of each Phase
Draft Final Report	March 2015
Final Report	April 2015

6. REQUIREMENTS

6.1 Personnel

A team of internationally reputable experts, funded by JICA, with sufficient experiences in physical distribution system and logistics business planning studies in partnership with GRN should conduct the Study.

6.2 Key experts

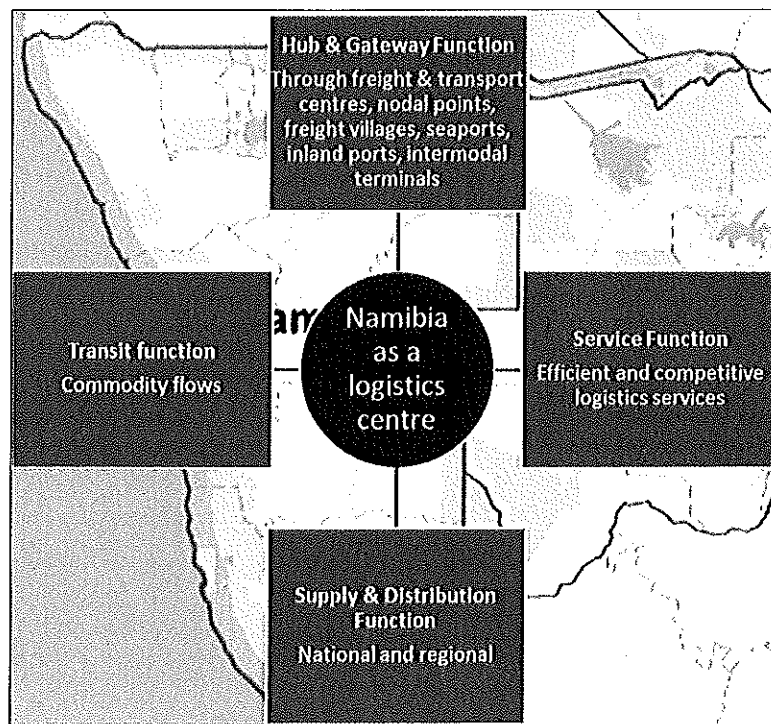
The key experts should cover the following fields of expertise, whereby one expert can cover more than one field of expertise:

- Team Leader (Regional Economy/ Logistics Planning Specialist)
- Transport Specialist
- Logistics Policy Specialist

- Logistics Business Specialist
- Logistics Infrastructure Specialist
- Regional Economy and Industry Development Specialist
- Logistics Park Specialist
- International Trade Facilitation Specialist
- Socio-economic Specialist
- Environment Specialist

Financial Specialist Experience in Southern Africa is preferable in all fields of expertise. Good written and spoken English is required of all experts.

ANNEX 1



A 3-phased approach to the development of Namibia as a "Logistics Nation" is proposed as follows:

Phase 1 (by 2015) Establish advantage of "Transport Corridor"	<p>Increase Volume and Speed to maximize advantage</p> <ul style="list-style-type: none"> - Port of Walvis Bay becomes a regional hub port (5000TEU to 8000TEU) - Increase transportation capacity to inland (strengthen resource based bulk cargo) - Better trade facilitation (set up OSBP at all borders) <p>Preparation for Phase 2 (Strategic Master Plans for Logistics and Regional Urban Centres)</p> <ul style="list-style-type: none"> - National Logistics Master Plan. - Master plan on development of regional urban centres. - Linkage to the SADC Regional Infrastructure Master Plan - Start global promotion to attract logistics/ distribution companies.
Phase 2 (by 2020) Evolution to "Economic Corridor"	<p>Implementation of Development of Strategic Hubs</p> <ul style="list-style-type: none"> - Development of logistics hubs based upon "National Logistics Master Plan", further promotion of trade facilitation (Single Window & Port Community System).

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	<ul style="list-style-type: none">- Development of regional urban centres based upon "Master plan on development of regional urban centres" (Land Use Plan, Urban Infrastructure).- Further global promotion to attract logistics/ distribution companies.
Phase 3 (by 2025) Towards the realization of Logistics Hub	<p>Diversification of Industries</p> <ul style="list-style-type: none">- Attract diverse industries due to excellent position as an international logistics hub.- Optimise growth of transit as well as transshipment traffic via the Port of Walvis Bay.

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WJ