

**PPP for the Implementation of a Single Window
in Benin – Cotonou
Bureau Veritas BIVAC - SOGET**

Date : 14/01/2014

Business Trade Context	
<p><i>Please describe the business context / need to be addressed when opportunity to set a PPP occurred. What were the objectives?</i></p>	<ul style="list-style-type: none"> - International Trade Facilitation - Monitoring of Corridors of Transport of Goods <p>Financial purposes for technological platform and operations on behalf the Authority.</p> <p>The port of Cotonou, Benin, faced severe operational challenges in clearance process and transit time. This was clearly damaging its competitiveness.</p> <p>Port Authority of Cotonou, with the support of the Ministry of Maritime Economy, has launched the implementation of an electronic Single Window.</p> <p>The need for a single window emerged with three prime objectives:</p> <ul style="list-style-type: none"> - to reduce the transit time of goods and associated costs, enhancing the performance of the Port of Cotonou - to improve the transparency and efficiency of the whole logistic and administrative process for goods transiting through the Port of Cotonou (import, export, transit and transshipment regimes), - secure customs revenues for the Republic of Benin (52% of government revenue) as well as those of other public actors and major private stakeholders <p>The government of Benin has selected a PPP approach to support the implementation of the Single Window initially at the Port, with extensions to a national scope (airports and land borders).</p>

<p>What is the scope of the PPP? What type of Trade Facilitation program is supported with this PPP?</p>	<ul style="list-style-type: none"> - Single Window Concession for global facilitation of the supply chain at import, export, transit and transshipment. - Public and Private Stakeholders. <p>The PPP has been decided to deliver and operated initially a Port Single Window but is now being extended along the logistic chain.</p> <p>The main features are :</p> <ul style="list-style-type: none"> - Implementation of a system allowing a complete automation of all processes and formalities relative to the transit of ships and goods (import-export-transit) at the port of Cotonou (with possible geographical extensions), - System / datacenter: hardware and software developing and local implementation; permanent management of the system H24, - Project management through the project structures / committees and workshops, gathering all the concerned stakeholders (private and public), - Building of interfaces in order to allow electronic data interchange (EDI) with existing stakeholder’s systems, - Training of all users, - Permanent customer support, - Diffusion of technical information towards the Port community, - Issuance of a final “single invoicing summary” (BFU), - Collection of fees and taxes on behalf of the stakeholders, - Production of statistics for Government use
<p>What is the current stage of plan of this project? Designing, implementing or running?</p>	<p>Running with extensions of scope</p>
<p>How is sustainability managed within the PPP?</p>	<p>The sustainability is ensured through the transfer of property, operations and management of the single window platform to a global partnership between private and public stakeholders within the framework of a concession.</p>
<p>Details of the solution (PPP in place)</p>	
<p>What type of PPP is being put in place? (please check the appropriate type)</p>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Concession <input type="checkbox"/> Build – Own – Operate <input type="checkbox"/> Design – Build – Finance – Operate <input type="checkbox"/> Lease – Develop – Operate <input type="checkbox"/> Build – Finance <input type="checkbox"/> Operate – Maintain <input type="checkbox"/> Other

<p><i>Who are the parties involved in the PPP?</i></p>	<p>The Single Window in the Port of Cotonou has been successfully rolled out by SEGUB, a semi-public company (public-private partnership between two private companies, Bureau Veritas BIVAC – SOGET Consortium, and the Ministry of Maritime Economy, Maritime Transport and Port Infrastructures).</p>
<p><i>What types of risks have been identified? How is the risk shared between parties of the PPP?</i></p>	<p>Within SEGUB, the private companies have taken most of the financial risk / investment. The return on investment has been conditioned to the successful implementation. With such mechanism, the public partner could have a strong commitment from the private partners.</p> <p>The public partner was at risk already with</p> <ul style="list-style-type: none"> - the possible consequences of an unsuccessful implementation of the Port Single Window on the economy of the country, - the possible complexity of changes involved that could put bring difficulties in changing some procedures
<p><i>What is the duration of the implementation of the project? What is the duration of running/monitoring the project?</i></p>	<p>The PPP has been agreed for 10 years. The implementation phase has taken 10 months including an initial 6 months pilot.</p>
<p><i>What is the general initial budget of the project? Is there an aspect of revenue generation?</i></p>	<p>Confidential information</p>
<p><i>What is the business model behind this project?</i></p>	<p>Capital and Operational expenditures are covered by Bureau Veritas BIVAC, the leading concessionaire. The return on Investment is based on a transaction fee per operation during the concession period. As a consequence no public financial resources are required whilst it provide a strong incentive for the PPP's efficient operations and quick results.</p> <p>SOGET charges a supplier service to Bureau Veritas BIVAC for its trade & technological expertise throughout the implementation.</p>
<p><i>What is the role of each partner? (possibly including a governance structure).</i></p>	<p>The Ministry of Maritime Economy is the decision-maker but uses a representative committee of major stakeholders impacted by the change before making decisions. Bureau Veritas BIVAC leads the overall project and the overall PPP, including financing. Technical tasks (such as: studies, training support and software development) of the implementation are subcontracted to SOGET.</p>

Legal Context	
<i>Please underline main aspects of legal agreement between the partners of the project. (terms of contract, scope of project, revenue collection / guarantee of revenues, ownership of physical goods, etc.)</i>	<p>10 years concession:</p> <ul style="list-style-type: none"> - implementation and operation of the system at the Port of Cotonou, with possibilities of geographical and functional extensions - operation through a local entity, managing a data center and a customer care service - management of the project implementation and follow-up structure - provision of communication and training towards the stakeholders and the business community in general - management of technical evolutions according to the needs during the term of the agreement - revenue collection through a single “invoicing summary” document for the main stakeholders, including the concessionaire itself - possibility of handing over the physical goods at the end of the contract, where the contract is not renewed
<i>How are exit strategies managed within the PPP?</i>	The contract allows a handing over of equipment property, software licenses and operational staff’s contracts in case the customer wishes to operate himself the system at the end of the contract.
<i>How are Intellectual Property Rights owned and protected within the PPP?</i>	The Intellectual Property Rights remain the ownership of the concerned softwares editors.
Implementation (of the PPP)	
<i>What is the lead agency within the government? (for example, Customs Administration or Transport Administration... not just “French Government”)</i>	The lead agency is The Ministry of Maritime Economy, but the project is highly visible to the President, quite involved as a sponsor.
<i>Are there multiple private partners? Is there a lead among these partners?</i>	There are two private partners, Bureau Veritas BIVAC and SOGET. Bureau Veritas BIVAC leads the overall project and the overall PPP. Technical tasks (such as: studies, training support and software development) of the implementation are subcontracted to SOGET.
<i>What has been the procurement process to select and confirm the parties involved? What has made a difference in partners’ selection?</i>	<p>After an international call for tenders the Bureau Veritas BIVAC – SOGET consortium has been awarded the concession.</p> <p>Partners’ joint expertise in trade facilitation programs and added value services to Port Authorities, Port Communities and Customs Authorities have made the difference in the selection process, plus a strong expertise in foreign trade in Africa for more than 20 years.</p> <p>Bureau Veritas BIVAC has selected best in-class option to provide the most adapted IT solution to support this major change. Difference has been made on references and experience of similar needs implemented at benchmark level.</p>

<p><i>Please provide more details about the governance of the PPP. How are stakeholders involved? How is the efficiency of the PPP ensured? How are decency and transparency maintained within stakeholders? How are accountabilities distributed?</i></p>	<p>The project organization involves 2 high level managing committees, 3 working commissions and as many working groups as needed:</p> <ul style="list-style-type: none"> - The « Supervision committee », in charge of supervising the project at “political” level and providing governance. This committee comprises the ministers directly concerned by the project. - The « Steering committee », in charge of managing the implementation of the Single window at Stakeholders level. Led by a representative of the Government and driven by the concessionaire, this organization comprises a high level representative of each entity involved. - The “Change management”, “Procedures”, and “Training” commissions. According to the needs, each commission created and managed working groups in charge of studying in detail all technical issues within specific workshops and executing the necessary actions at stakeholder’s level for allowing the progression of the project. The concessionaire was in charge of supporting and conducting <p>The Steering Committee met regularly during the implementation phase, as often as needed. Detailed meeting reports were made systematically, which allowed any stakeholder and Authorities to be officially aware of the accurate situation and necessary detailed actions, including the progression of the project, the actions required from each stakeholder and the project next steps.</p> <p>The leading representative of the Government was especially in charge of ensuring the cooperation of all stakeholders and raising any significant issue at Supervision Committee level, mainly where new regulatory decisions were necessary.</p> <p>Good practices on methodology are circulated, especially matching a strong communication plan.</p>
<p><i>Please provide more details about the policy of the PPP. Are there specific objectives? Specific rules to ensure sustainability of the compatibility between parties?</i></p>	<p>The Single Window requirements included the evolution of the system according to the needs and constraints of different stakeholders, as far as the said evolutions were consistent with the common objectives and approved by the executive committees of the project.</p>

Outcomes and practical results	
<i>What is the governance structure?</i>	<p>The project organization involves 2 high level managing committees:</p> <ul style="list-style-type: none">- The « Supervision committee », in charge of supervising the project at “political” level and providing general governance. This committee comprises the ministers directly concerned by the project.- The « Steering committee », in charge of managing the implementation and follow-up of the Single window at Stakeholders level. Led by a representative of the Government and driven by the concessionaire, this organization comprises a high level representative of each entity involved.

<p><i>What are the operational processes of the project? (How do partners interact more-or-less on a daily basis within the framework of the agreement? Regular meetings, reports for example.)</i></p>	<p>A committee led by The Ministry of Maritime Economy makes the decisions. Frequent meetings are scheduled to manage the project life. During implementation phase this committee gets inputs from other commissions focuses on some specific topics (i.e. training, processes, change...)</p> <p>Bureau Veritas BIVAC leads the projects, animates commissions and committees and coordinates with SOGET the delegation of some technical tasks. A strong project organization is in place both locally and remotely from head offices to support all aspects of usual major change management projects. Processes aligned on ITIL & Lean Management approaches are in place to make sure the project sticks to its objectives from its very beginning and day after day.</p> <p>The reduction of the transit time of goods through the Port of Cotonou was one of the clear objectives of the implementation and operation of a Single Window through the Public-Private Partnership. The operational implementation has been delivered through a typical Trade Facilitation Approach.</p> <ul style="list-style-type: none"> . An initial business process analysis (BPA) leading to decisions in terms of target process . A continuous participation of all Port Community stakeholders through dedicated committees. . A parallel evolution of procedures and regulations to adopt the change . Training to more than 2000 people . The continuous search for simplification and electronic processing . Automation of the exchanges whenever possible . The use of standard exchange messages whenever applicable (in particular with maritime companies) . The constant adaptation to the new requirements of the Government concerning the integration of the foreign trade items such as land borders, airports, etc. <p>The public-private operator is also running the service as a concession once implemented. The good principles are still running with an animated community whose leader is the concessionaire in permanent liaison with the relevant Authorities.</p>
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<p><i>Is capacity building an aspect of the project? Is it desired outcome? How is this organized? (during the life of the project or especially at the end of the project – training, delegation, technical assistance, maintenance licenses...)</i></p>	<p>Capacity building is part of the project, both at the level of Port / logistic community (more than 2000 people trained) and at the level of the concession itself (when partners leave, the entity must remain sustainable).</p> <p>Bureau Veritas BIVAC commits on setting up a concession mainly with local people who get trained and evolve with the project in order to make the organization sustainable. These people are not trained as an output of the project implementation but as a mean, i.e. the successful implementation is an indicator of the robustness of the organization. Maintenance licenses (including technical assistance) are transferred at the end of the concession.</p>
<p><i>How is promotion and communication organized?</i></p>	<p>The communication plan is totally part of the overall project. Target audiences are identified as well as events. Use of all media can be mobilized.</p> <p>Political support at the highest level, led by the President himself. Some factors are also key for promotion & communication of change,</p> <ul style="list-style-type: none"> - Creation of a website constituting the reception desk of the Single Window system: <ul style="list-style-type: none"> • Ensuring promotion among the national and international stakeholders • Providing real-time information to the general public • Easing access to the very site of the tool <p>It contains public pages and secured pages accessible with login and password.</p> <ul style="list-style-type: none"> - Close relationship between the Single Window operator, professional organizations and trade-unions - Pro-active B-to-B campaign to promote the project and convince the port community. - Significant publicity campaign via popular medias (TV, radio, newspapers) - Creation of a formal dialogue structure to reach consensus on those key procedures - Development of training plans and training of 2000+ users. - On-going procedure reviews to maintain the level of training of final users

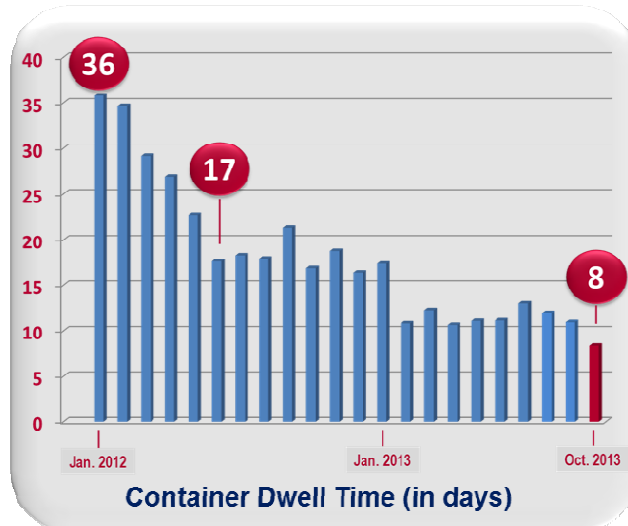
What are the tangible benefits of the implementation of this PPP?

Gain of money, gain of time:

- productivity (administrative tasks)
- efficiency (strong technology)
- autonomy / flexibility (file management)

The project exceeded the three objectives, as it radically changed the way the port community was working.

Rapid information exchange, coupled with accurate performance indicators has reduced dwell time from 5 weeks to less than 8 days as shown below.



In May 2013, the Port Authority of Cotonou received the IAPH* 2013 Gold IT in recognition of the successful implementation and operation of the Port Single Window.



* *International Association of Ports & Harbours*

Through the use of the Single Window, all traffic through the port can be monitored from container dispatch up to on-board manifest. Tracking shipments in this manner enhances the safety and security in line with the WCO SAFE guidelines.

Single Window has allowed procedures to be redesigned resulting on solving difficult operational issues: considerable traffic congestion, even on the city streets, was created by the lack of transport management, with parked trucks paralyzing the traffic flow. There were no effective controls on transport and as a result Freight forwarders found it difficult to schedule transport delivery.

The truck appointment system module of the Single Window, together with the building of a new parking facility by the Millennium Challenge Corporation, has successfully brought this situation to an end. The Single Window enables the port access managers to easily control inwards and outwards truck movements.

Besides initially being a port single window, it has been deployed to other international trade information flows such as export, transit, land borders...

Lessons learnt	
<i>What have been the greatest obstacles when preparing the project?</i>	Prejudices against the Single Window, relative to ignorance regarding the objectives and features of the system.
<i>What have been the greatest obstacles during the project?</i>	Change management was difficult as expected, but could be overcome thanks to the strong project management structure (committees) and the efficient support of the highest Authorities.
<i>What have been the success factors when preparing the project?</i>	Mainly the project structure (in place from the beginning), involvement of all the stakeholders, regular committees and constant reporting, a wide and strong communication, as well as a permanent political support.
<i>What have been the success factors during the project?</i>	Same as above.
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