

countries comprising Kenya, Uganda, Tanzania, Rwanda, Burundi and South Sudan. We also have a representative office in Ethiopia. With our expertise and offices in these countries, we are not only able to facilitate the buying and selling of products but also, provide local expertise on opportunities that exist in the respective markets and facilitate the same. This also applies to middle Africa – basically areas where we dominate based on our local expertise, products and services and the vast geographical footprint that we enjoy.

Looking at the network advantage that Ecobank enjoys across the African continent what kind of solutions does Ecobank provide to customers for trade facilitation?

In each of the 33 countries that we operate in, we have a dedicated sales desk and the full ambit of the trade finance products that facilitate imports, exports and financing. We have skilled personnel on the ground who are able to provide ideas and the financial advice that companies need to trade safely and securely.

How can cross-border businesses benefit from the solutions that you have mentioned?

All you need to do is walk into any of our over 2,000 branches in 33 countries and we will be able to facilitate account opening as we discuss what opportunities there are and how we can support you as your financial partner of choice.

How does your partnership with the Kenya Revenue Authority (KRA) ease payment of taxes?

We have been privileged to partner with KRA over the last three years. KRA was keen on going cashless, something that we have developed solutions for. So, we have been working with them to provide payment solutions that enable them get information on tax

payments while providing convenience to tax payers. For example, now at any of the border points in Kenya, you can now pay your domestic or custom taxes real time through our points of sale terminals, Ecobank Xpress agents and the Ecobank Mobile App which is available 24 hours a day.

You recently launched Ecobank OmniLite – what exactly is it and how does it interface with businesses?

OmniLite is our online banking platform designed for businesses. It is available in all our 33 affiliates across Africa. It enables businesses to manage a whole host of payments from the comfort of their offices. For example, you can make instant and multiple payments, pay all customs and domestic taxes, view all accounts and generate statements, book and maintain deposits, pay bills among other revolutionary features. Both customs and agents are able to validate the e-slips, issue instructions that will update KRA on a real time basis and ensure they do not suffer any delays that may be costly to them.

What is Ecobank's Value proposition to traders and clearing and forwarding agents?

Our African expertise and our understanding of the needs of the Clearing and Forwarding agents are our value proposition. We are able to help them run their business, make payments, interact and satisfy their key stakeholder which is KRA, and also be able to support their growth ambition in terms of providing the much-needed financing and financial training for them to succeed.

Contacts:

Email: kenya@ecobank.com

Telephone: 0709573000 / 0202883000

Twitter, Facebook, Instagram: @EcobankKenya



Discover omniLITE

Simpler & smarter online banking for local corporates, public sector and SMEs

COMMERCIAL BANKING

ecobank.com



Ecobank
The Pan African Bank



HOW ARTIFICIAL INTELLIGENCE IS IMPACTING LOGISTICS MANAGEMENT

By Madhu V Swamy
Cofounder of Cumulations Technologies Pvt. Ltd.

Over the past decade or so, technological innovation and advancements have been rapid. Leaps and strides have been made within the field of Artificial Intelligence (AI), in particular, and these AI systems are now revolutionizing all sorts of industries.

Many experts have highlighted the logistics management industry as one of the industries that stand to benefit the most from AI, on account of the huge volumes of data that logistics service providers produce.

The machine learning capabilities, huge computer power/speed, and ability to process 'big data' of AI mean that AI systems can be used to more improve and more effectively manage logistics operations. Here are some changes to logistics management that AI has already brought:

1 Increased Demand Forecasting Accuracy

One of the biggest challenges that have faced logistics management service providers relates to being able to accurately forecast changes in demand. The reason that this is so challenging is that it necessitates the consideration of lots of different factors, such as sales numbers, changes in weather, and other consumer attributes.

As AI is able to track and analyze huge volumes of data, logistics management service providers are now able to use AI software to measure and analyze all of this data in tandem and use it to inform and adjust forecasts in real-time.

2 Reduced Operational Costs and Faster Processes

AI technology is being used to reduce operational costs by providing new insights into all sorts of processes, allowing logistics companies to streamline tasks and become more efficient. AI can



also increasingly take the place of real humans by analyzing data and completing tasks that would previously have been beyond the capabilities of a machine.

For example, AI tech like intelligent robotic sorting can now sort letters, parcels, and shipment pallets more efficiently and at greater speeds, thus reducing both time and costs. Special cameras can now even use AI technology to identify damage on cargo shipments and then take action to correct this damage.

Improved Communication Between All Parties

Third-party logistics providers and their clients can use AI to communicate more effectively with their clients and customers, boosting relations. Many logistics providers are adding their own AI to flexible, enterprise logistics software solutions such as [3PL software by Silver Bullet Technologies](#).

And for example, Amazon's voice-activated Echo device (powered by their AI software, 'Alexa') can

now be used by customers to track DHL package shipments by simply asking it 'where is my parcel?'. This creates a more personalized customer experience for the customer, improving customer satisfaction. As customer satisfaction is extremely important to businesses, this, in turn, facilitates trust and a stronger relationship between logistics providers and their business clients.

What Else?

As you can see, AI is making waves in the logistics industry in all sorts of ways, but the benefits don't end there. It's being used in all sorts of ways to improve planning, facilitate communication, reduce costs, and optimize processes – and there's more yet to come. In the future, further advances in AI, self-driving forklifts, drones, and other futuristic tech looks set to revolutionize the logistics industry even further.

For more information on the company visit: www.cumulations.com



KIFWA marks 20 years of growth in shipping and logistics in Kenya

20

By Millicent Mwololo



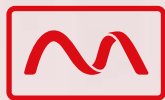
Kifwa host Feaffa board members at Panari Hotel

Kenya International Freight and Warehousing Association (KIFWA) is the sole representative of all clearing, forwarding and warehousing companies in Kenya. KIFWA was born out of the need for an umbrella national body which is cohesive enough to represent the interests of all her members, said Mr Roy Mwanthi, the Chief Executive Officer at the Kenya International Freight and Warehousing Association (KIFWA).

In a country where the shipping and logistics industry contribute up to 30 per cent of the GDP, KIFWA has for the last 20 years remained steadfast in the

facilitation of clearance of goods, transportation and distribution. “The association has over the years capacity built her members on global best practices which promote compliance with industry regulations, boosting their participation in international trade. The body also coordinates with other government agencies to ensure consignments are cleared soonest possible time to cushion importers from incurring unnecessary delays. Thus reduced costs and time of doing business.

Previously, the interests of KIFWA were previously served by the former Kenya Clearing, Forwarding



Secure Tomorrow

Minet

AON | Global Network Correspondent

Minet Integrated Wellness Program

Be part of the wellness wave!

Establishing a wellness culture involves;



Developing Wellness objectives consistent with business strategies



Developing a C-suite package for executive & senior management to walk them through the wellness continuum



Building a Wellness culture across all cadres of employees



Providing competitive health care plans that can be used to prevent, manage & treat disease & other medical conditions



Educating employees (lifestyle behaviours can increase risk of certain disease states/conditions, importance of managing disease, & importance of becoming knowledgeable healthcare consumers)



Addressing lifestyle behaviours through some combination of web content/education



Risk Assessments, lifestyle program modules & healthcare coaching

Contact us today to get your customized wellness solution

Email: joseph.mwagi@minet.co.ke

Contact Number : (+254) 748 825 058

and Warehousing Association (KCFWA) and Kenya Association of Freight Forwarders (KAFF). In its 20th anniversary, the association membership has grown tremendously, and the body is now a force to reckon with in the clearing and forwarding, cargo freight and logistics sub-sectors. "KIFWA currently subscribe to International Federation of Freight Forwarders Associations (FIATA), Kenya Private Sector Alliance (KEPSA) and Federation of East African Freight Forwarders Associations (FEAFFA) which put it both regional and global set up in trade facilitation," Mr Mwanthi said of the muscle that the body has garnered.

So far, the association aims to be the best regional platform for members with regard to clearing and forwarding and logistics services. "In line with our mission, we always endeavor to promote and protect the legitimate trade of customs agents, freight agents, warehousemen and the logistics industry in general," he explained.

The organization promotes a high and ethical, uniform documents and standard terms and conditions of services provided by members. To fully meet their objectives, the KIFWA Secretariat establishes and maintains cordial relationships with her partner strategic partners. These include: Kenya Revenue Authority (KRA), Kenya Ports Authority (KPA), Kenya Airports Authority (KAA), Kenya Trade Network Agency (KENTRADE), Kenya Maritime Authority (KMA), KEPSA, Kenya Association of Manufacturers (KAM), Shippers Council of East Africa, Shipping and Airlines. "We also do a lot of lobbying and advocacy with the relevant ministries or institutions as the association may consider necessary for the benefit of the industry

The association has continuously redefined its purpose in order to meet the emerging needs of its members and address the dynamism in the industry. "KIFWA's strategic focus is to improve the efficiency of the logistics chain by lobbying for improved regulatory frame work in the transport and logistics sector," He noted that this has encouraged and increased compliance to trade regulations and industry standards and by clearing and forwarding, and logistics service providers. Over the years, KIFWA has increased the organizational sustainability to effectively achieve her mandates.

The organization has been one of the growth pillars in boosting Kenya's international trade through the facilitation of imports, and the boosting of the country's foreign exchange through exports.

The body has also facilitated the exportation of coffee, tea, avocado and fresh flowers to international markets. There has been growth of business in bonded and private warehousing, and an increase of transit cargo to the region and beyond. "Being members of NTF, we have also been instrumental in some of the international trade negotiations.

Over the years, KIFWA has represented its members internationally by being members of IATA, FIATA, and FEAFFA. The association is part of the Global Logistics Convention series in East Africa and in September 2020 Kenya is going to host the fourth edition where over 1000 participants are expected, Mr Mwangi noted with optimism. The event is expected to re-ignite dynamism in the industry which has been affected by the Covid-19 pandemic.



Nairobi Branch Management Committee host past Chairmen and Board of Trustees at Eka Hotel



Kifwa present draft bill to Commissioner of Customs and Border control Representative at Intercontinental Hotel



ADROIT

LOGISTICS
LIMITED

"THE GO TO LOGISTICS SOLUTION PROVIDER"

{AIR/SEA/ROAD/WAREHOUSING/DISTRIBUTION/RELOCATION}

**ADROIT LOGISTICS LIMITED CONGRATULATES KENYA INTERNATIONAL
FREIGHT AND WAREHOUSING ASSOCIATION [KIFWA] ON THERE 20TH
ANNIVERSARY.**

*WE REJOICE WITH YOU IN YOUR ACHIEVEMMENTS AND MAY YOU
CONTINUE THE JOURNEY OF SUCCESS WITH PRIDE.*

THANK YOU FOR YOUR CONTRIBUTION TO THE INDUSTRY.

HAPPY 20TH ANNIVERSARY.



TRADING COMPANY LIMITED

Congratulates KIFWA on their 20th Anniversary



Freight and Logistics Management



Warehousing Services



Tea Value Addition



Chai Gold

Chai Trading Company Limited (CTCL) is a wholly owned subsidiary company of Kenya Tea Development Agency Holdings Limited based in Mombasa, Kenya. KTDA (H) Limited is the single largest producer of black CTC tea in the world.

Chai Trading Company Limited has two business units namely the Freight Division and Trading Division and a subsidiary company, KTDA DMCC, based in Dubai at the Dubai Tea Trade Centre.

We provide integrated solutions in logistics, clearing & forwarding, warehousing and distribution. Additionally, we sell tea to both local and international markets, blend and pack teas as per our clients' requirements.

The Freight Division offers a wide range of services under one roof which include warehousing, clearing & forwarding, air freight cargo services, project cargo handling services, ships' agency, NVOCC groupage cargo services, commission agency, transport and integrated forwarding services to fully free a client from worries about cargo delivery.

We have a wealth of experience in cargo discharge and stevedoring operations at the port of Mombasa.

We have a total warehousing capacity of 988,600 sq. ft. for storage of various commodities such as packed made tea from across the region, canned and bottled food items, fertilizer, machinery among other items.

Additionally, we own two hectares of open storage space in Mombasa, Kenya making us the largest warehousing company in the region.

Chai trading company limited provides efficient road transport services through our own fleet of trucks and as an agent for various trucking companies which cover the country and region. We have over 300 trucks at our disposal from several business partners. Over time we have offered a unique local experience, with an established network of business contacts, providing our customers with quality cargo transport and shipping services.

The Trading Division buys and sells different types of teas such as black CTC tea, orthodox tea and specialty tea of all origins from the Mombasa Tea auction and directly from KTDA factories and other private factories; we trade in both straight-line teas and blended teas and are currently ranked amongst the top five major buyers at the Mombasa Tea auction.

KTDA DMCC, sells both straight line and blended teas to customers in the Middle East countries, Russia and CIS countries. Our premium brand of tea, Chai Gold, is available in the various markets we serve.

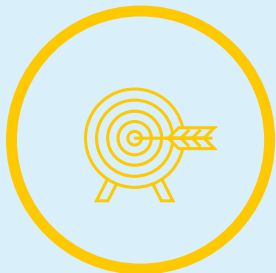
Partnering with Chai Trading Company Limited

1. We have the biggest and ultra-modern warehousing space in the region; being the only warehouse with tea racking facility in the region.
2. Modern tea blending and packing facility which guarantees that tea is packed in clean and hygienic conditions.
3. A wealth of experience in cargo discharge/stevedoring operations at the port of Mombasa in Kenya.
4. Established and efficient road transport services through our own fleet of trucks and as an agent for various trucking companies.
5. We are ISO 9001:2015 Quality Management System and ISO 22000:2005 Food Safety Management System certified which guarantees a system based approach in our operations.
6. We source fresh teas directly from KTDA owned factories and other private producers thus guarantee faster shipments.
7. Chai Trading Co. Ltd ensures pre-auction tea samples are 100% tasted two weeks prior to the auction as a quality control measure.



GROWTH MILESTONES @

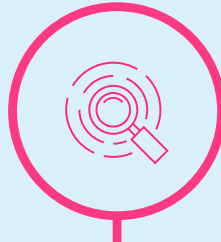
20



KIFWA has maintained a good working relationship with government agencies and private sector. The association has been organizing short and mid-term training for its members in Partnership with KRA, FEAFFA among others.



KIFWA is also a member of KEPSA which has assisted in proper collaboration with other private sectors. "We are working on a self regulation bill hence we have conducted an all inclusive public participation and engaged all the other stakeholders such as KRA, KPA, KMA, KENTRADE, KEPSA, KAM, SCEA, Small Traders Association, and KAA among others.



However, the emergence of the Covid-19 global pandemic has dealt a blow to the industry as there has been low or none imports. **"Most of our imports come from Europe and Asia which is hard hit. KIFWA members have also had to scale down in most of employees as work has reduced tremendously. "Since most of our export goes to both European Countries and Middle East countries which are also affected, the amount of export has declined,"** he added. Also, the government directive of lock-down between 7pm to 5am has reduced the workload hence companies incurring demurrages.



The association proposes various ways through which the government can cushion its members socio-economically. These include an increase in free days from 4 to 21 days, a review of SGR cargo charges and return of empty containers from Mombasa to Nairobi. "We also appeal to KPA and KRA to give 100 per cent waiver on storage and custom warehouse charges. For KPA to put stay on verification charges, and for KRA to extend payment of entry from 7 days to 14 days on lodgement. We also ask the government to zero-rate import declaration and Railway development fees," Mr Mwanthi's appeals.



Mr Roy Mwanthi is the current National Chairman who has a big vision for KIFWA. In the next 12 months, he wants to see the Kenya Customs Freight Forwarders bill 2020 enacted and existence of a continuous good working relation with all government agencies.



Why you should join KIFWA

- Better lobbying and advocacy for improved business environment.
- Access to advertising, training and capacity building.
- Intervention of delay in container transfer, demurrages, policy and regulations affecting business and networking forum.
- Dissemination of vital business information, market intelligence and surveys.
- Issuance of custom authorized agent passes.



Kifwa sign MOU with GS1 Kenya



Visit to Naivasha ICD with other stakeholders



BOX BACK LIMITED
Your smart rail logistics partner



WHO WE ARE

We are a solutions provider offering end to end logistics services to address full and empty container tracking challenges in new SGR dispensation.

TARGET CUSTOMERS

- Shipping Lines
- Ship's Agents
- Clearing Agents & Freight Forwarders
- Transporters
- Importers / Exporters

OUR SOLUTIONS

IMPORT / EXPORT CONTAINERS

1. Monitoring containers loading in Mombasa / ICDN / Naivasha.
2. Tracking / Update on rail-age progress.
3. Reporting of arrivals at destinations.

EMPTY CONTAINERS

Practical and easy steps to get empty containers back to Mombasa in order to complete the return cycle with a Just-In-Time guarantee to our services. This includes:

- Documentation
- Administration
- Operations

of the delivery process in order to ensure that the SGR package for containerized cargo is fully realized.

TALLY & EDI REPORTING

We do tally and EDI reporting in ICD Nairobi, Naivasha and Mombasa;

- Full Import and Export containers
- Empty containers

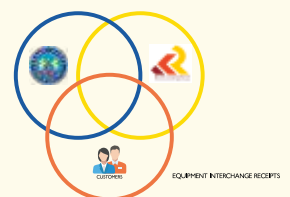
TRANSPORT SERVICES

We also offer timely and efficient transport services;

- From Portreitz rail to berth
- From Port to Empty Container Depots in Mombasa

OUR PARTNERS

BBL will work with our partners Kenya Ports Authority & Railways to provide a predictable and efficient service in order to achieve the supply chain completion.



CONTACT DETAILS

📍 Nairobi - 0777221233; Mombasa - 0775221233

✉ info@box-back.com

📍 SGR Port Reitz Freight Terminal, Mombasa

📍 2nd Flr, floor office 204, KPA Admin Bldg (OLD), Nairobi



WE ARE PROUD TO BE ASSOCIATED WITH KIFWA AS THEY CELEBRATE THEIR 20TH ANNIVERSARY

Compact Freight System Ltd have been in the logistics business for the past 10 years. We are located along the Mombasa – Nairobi Highway in Miritini, Mombasa. Compact Freight System Ltd is a modern trans-shipment logistics facility, with a Container Freight Station (C.F.S), a Customs Bonded Warehouse and a Motor Vehicle Storage Yard.

We have a leading edge in the Logistics Sector and we have built strong symbiotic relationships with Government agencies, Shipping lines, Clearing & Forwarding firms, Bulk Importers/Exporters and the general public. We are

fully compliant with both Kenya Revenue Authority and Kenya Ports Authority regulations. We are the 3rd CFS to get KPA nomination by providing capacity, systems and equipment required by both KRA and KPA to effectively undertake CFS functions.

We are also expanding by setting up a Logistics Multi User Facility (Compact FTZ) in Embakasi, within LR 19956, adjacent to the Standard Gauge Railway with access to both Mombasa Road and the Southern Bypass. The site is within 5km radius of the Inland Container Depot and JKIA.

P.O. Box 86232 Mombasa Kenya | Tel: +254 716 430 693 / 736 430 693 | Email: info@compactcfs.co.ke | www.compactcfs.com



SPECIAL CONTRIBUTIONS

The editor invites opinion articles addressing certain issues in the industry. Writers could be experts in the fields, students at University level or researchers. In case you have such articles please share them with our editor: logisticsspotlight@molandea.co.ke



Ask for transport



Congratulations to KIFWA for 2 decades of service to Freight Forwarders in Kenya.



0709 779 779



www.sendyit.com



PFL

principal
forwarders
LTD

INTERNATIONAL CLEARING AND FORWARDING AGENTS

Established in 1990

Fostering & Facilitating Smooth Cargo Clearance For Over 30 Years

Services Offered:

Sea Import & Export
Air Freight Import & Export
Goods in Transit
Multi-Modal Transportation Linkage
Freight Forwarding
Advice & Consultation

Give us a go & contact us !!!



P.O Box 85318-80100 Mombasa, Kenya.



+254 41 2228448/2223482/2224550



info@principal.co.ke



www.principal.co.ke



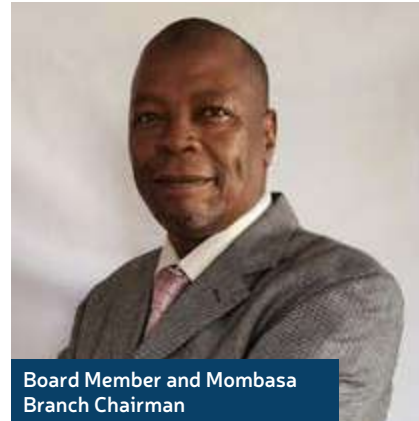
Board Members



Roy Mwanthi
National Chairman



Charles Kariuki
National Secretary



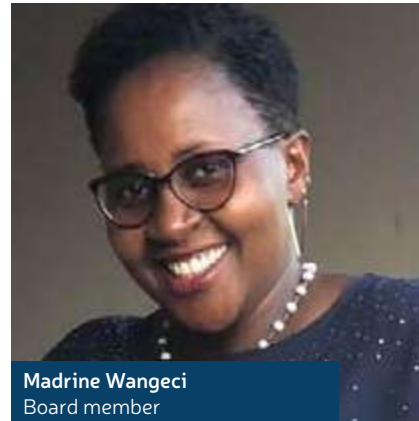
Board Member and Mombasa Branch Chairman



Broad member and Nairobi Branch Secretary



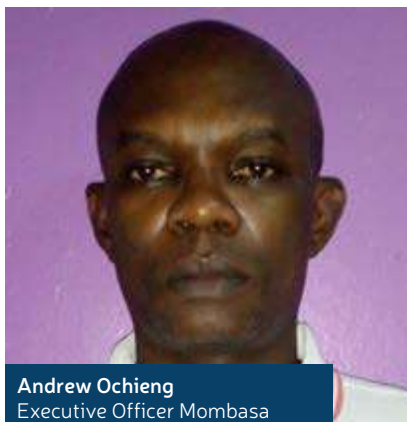
Abud J
Board member



Madrine Wangeci
Board member



Levi Kinoti
National vice chairman



Andrew Ochieng
Executive Officer Mombasa



Christine Mukangi
National Treasurer

Shippers
Council of
Eastern
Africa



ADVERTISE WITH US

Publisher

Moland Communications East Africa Ltd
P.O.BOX 37515-00100 NAIROBI
logisticsspotlight@molandea.co.ke

SALES & MARKETING

Moland Communications East Africa Ltd
logisticsspotlight@molandea.co.ke



How technology is changing the face of logistics in East Africa

*By Dan Okoth
Country Manager, Sendy Freight Kenya Limited.*

For businesses, reliability is the most important factor when moving goods. That's according to the World Bank's Logistics Performance Index. Businesses need predictability on how and when their goods will arrive at their intended destinations. According to the World Bank's Logistics Performance Index, in 2018 Kenya had the second-best logistics in Africa second only to South Africa. However, when you interrogate the ranking, you realize it is still 68th globally, a clear sign that a lot of work still needs to be done in improving the reliability of its logistics sector.

Two aspects especially stick out from the index: quality of logistics services and the ability to track consignments. In these respects, East Africa has been lagging for several reasons. First, East African logistics is fragmented and dominated by the informal sector. the World Bank noted that in countries with highly developed logistics, most traders and manufacturers outsource to third and fourth party logistics providers in favour of focusing on their core business. However, the ability of businesses to outsource is heavily

influenced by how developed and reliable local logistics providers are. It is not uncommon to find dozens of trucks, trailers and pickups parked on street corners and pavements waiting for work. The inefficiency resulting from the downtime and limited professionalism not only reduces reliability but also increases cost. Transporters charge the few clients they have higher, to cover their fixed expenses. Cases of loss or damage are common.

Another key challenge for the sector is the lack of return loads. The sector is so fragmented and there is little visibility on how goods move from one location to another. As a result, transporters have to return to their base of operation empty once a load is delivered. The cost of both trips inevitably has to be covered in the price of this single load even though the economic benefit for business is one way.

Online marketplaces are helping to address the reliability gap. Sendy, for instance, has created a pool of vetted transporters that businesses can use on-demand. The advancement of the Internet of Things technology is also improving the tracking of goods

and reducing instances of loss and theft. Application of Artificial intelligence and big data by these marketplaces can help create new innovative ways for the logistics sector to improve efficiency.

A good example of how technology can make logistics more efficient is Sendy's order process for containers. Since many shippers move multiple containers at a time but still need visibility on each, Sendy has developed containerized ordering for its freight costumers. This enables shippers to track the progress of each container through the clearing and delivering process. This not only enhances the shippers' visibility of their cargo but also makes the entire transportation process hassle-free.

Technology players in the sector are also attracting a lot of investor attention is a testament to the potential technology has in unlocking value in logistics. At the beginning of 2020 for instance, Sendy announced that it raised USD 20 million to fuel its expansion. It is, therefore, clear that all stakeholders need to pay keen attention to how technology will shape logistics.



International Air Cargo Association

Sets a visionary goal of %100 e-AWB by 2022



When cargo is transported through air, a lot of information also flies with the cargo. But, the global air cargo industry still heavily relies on paper for transferring information which makes the air cargo supply chain prone to loopholes in the data flow, incomplete coverage and lack of common data standards. The International Air Transport Association is making earnest efforts to implement e-AWB to promote digitalization in the air cargo industry and make it fully reliant on the paperless process and smart data sharing.

Papers have always been a crucial part of the operational process of any industry, especially when it comes to clearances. Air cargo industry is also not an exception to it but the requirement of too many papers makes the situation bizarre in the current digital age.

Manual handling of papers not only slows down the air cargo supply chain but also increases carbon footprint in the environment. While enterprises are expected to discourage and control paper usage, an integrated effort from the government is also needed for example through regulatory framework.

The international air cargo industry is aiming to cut down on the paper trail and even the International Air Transport Association (IATA) has mandated e-AWB years ago, but the true implementation is yet to be seen when it comes to getting rid of the pouch and making it a real e-AWB compliant industry.

WHAT IS e-AWB?

e-AWB takes the paper out of the air cargo supply chain and replaces it with cheaper, more accurate and more reliable electronic messaging.

WHY IS e-AWB?

Lower Costs: Billions in saving for the air cargo industry. **Faster supply chain transit times:** Ability to send shipment documentation before the cargo itself can reduce the industry cycle times.

Greater accuracy: Allowing electronic data entry at point of origin until RCS reduces delays to shipments due to inaccurate or inconsistent data entry.

Increased security: Electronic documents are only made available to parties who require them for the completion of a shipment.

According to IATA more than 505 of the global trade relies on paper-based processes. A shipment can generate up to 30 paper documents and as many of the processes, such as track and trace, still depend on human intervention.

Each year, more than 7,800 tons of paper documents are processed, the equivalent of 80 Boeing 747 freighters filled with paper.

In December 2017, the association said, the global e-AWB penetration reached 52.6% on the feasible trade lanes. Still, it fell short of 9.4% against the industry target of 62%. As per its status in March 2029, the global e-AWB penetration reached 61.3% on the legally feasible trade lanes. The ultimate milestone for e-AWB is 100% penetration by 2022.

WHY ARE THERE HICCUPS IN ACHIEVING 100% e-AWB PENETRATION?

- **Regulatory constraints:** implementation of e-AWB is not possible in all airports and all trade lanes due to regulatory limitations.
- **Lack of harmonization:** Procedures of e-AWB are not harmonized among freight forwarders, airlines and ground handling agents in key airports where e-AWB is live.
- **Technology limitation:** Many of the SME forwarders do not have the technical capacity/ EDI enabled systems to enable them to transmit shipment data to airlines. Even some large forwarders also face the same issue.
- **Complex process:** forwarders dealing with multiple airlines face complexity in e-AWB procedures.
- **Maturity threshold:** Some markets have reached a certain level of maturity where major actors (airlines/freight forwarders) have already achieved the biggest potential but some markets are still lagging behind in the race.

Mombasa Port and Northern Community Charter

The Mombasa Port and Northern Community Charter (MPNCCC) was established in June 2014, and signed by both Public and Private Institutions in the presence of H.E. President Uhuru Kenyatta. The signing of the Charter represented culmination of extensive consultations among all port stakeholders that yielded a framework to achieve seamless transport along the Mombasa Port Corridor.

The Charter expresses commitment to discarding the “silo mentality” work culture in which agencies operated for long, and most import the desire to establish a permanent framework of collaboration that binds the Port and Corridor Community to specific actions, collective obligations, targets and time lines.

Implementation of the Charter has made certain milestones, which include:

- Actualized paperless trading through Kenya National Single Window System, with over 45 government agencies linked to the National Single Window System and over 10,000 registered users.
- Increased capacity for port and inland channels, which include the construction of the Second Container Terminal with additional annual port capacity of 500,000 TEUs at the Port of Mombasa; revamping of the Inland Container depot at Embakasi in Nairobi, increasing annual capacity from 80,000 TEU to 450,000, the completion construction of Standard Railway Gauge (SGR) from Mombasa in 2017 to Nairobi to Naivasha in 2019, which increased container evacuation from the port from 60-100 TEUs per day to current haulage of over 1,000 TEUs per day; revamping of the Inland Container depot at Embakasi, Nairobi; construction of oil storage tanks and replacement of Mombasa-Nairobi oil pipeline to increase evacuation capacity; construction and improvements of road network around Mombasa port and along the Northern Corridor
- The launch of Integrated Customs Management Systems (iCMS) by KRA, to automate Document Processing Centre and promote pre-arrival clearance of cargo.
- Dissemination of weekly, monthly, and annual information through the Northern Corridor Performance Dashboard.



In many cases, the Charter is used as an important tool to articulate issues to improve operations and efficiencies. The Charter is already incorporated in the Government agencies, through the Performance Contracts, Strategic Plans, and recently Government Circular OP/CAB 9/83A of 4th June 2019 on Operationalization and Improvement of Cargo Logistics at the Ports of Entry and Inland Container Depots for coordination and harmonization of various interventions aimed to increase efficiency by reducing time and costs of doing business.

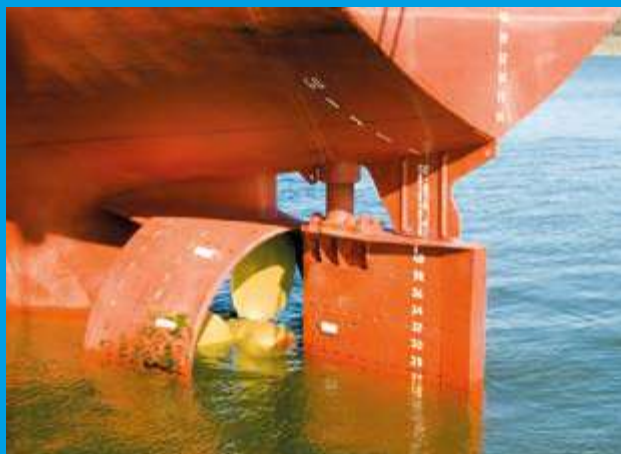
Despite the successes, there are notable challenges to the Charter that include financial constraints both in public and private sector institutions in meeting some of their obligations; little appreciation of the impact of abrupt changes such as Pre-Export Verification of Conformity Programme (PVoC), use of National Single Window System, Authorized Economic Operators

(AEOs), and Pre-Arrival Processing (PAP) on trade efficiency dynamics; inability to implement the 24/7 work hour operation; inadequate internal capacity for data collection, analysis and dissemination.

The review of the Charter completed in 2018 provide a new approach that will increase stakeholders engagements on critical issues to improve port and corridor logistics of operation. The revised Charter also provide a result framework, which is a tool for measuring the expected results of each signatory contribution. Use of information technology has largely been emphasized not only in the Charter management, but also stakeholders for improving the clearing processes. The communication strategy of the Charter developed will enhance awareness and understanding of the Port and Corridor performance by providing timely, targeted and adequate information that can be used to guide on decisions.



Why the introduction of a new KPA Terminal Operating System (TOS) will be a game changer for KPA ports.



In the global shipping industry, every container terminal operator strives to reach and maintain high port efficiency through improved procedures and system processes. This makes a port competitive because shipping lines benefit from reduced operating costs and this encourages an increase in business and trade volumes. The port will also benefit from increased revenue as a direct reflection of this growth.

The only way to realistically achieve high port efficiency at container terminals is through automation of systems and procedures. Automated systems have been proven to manage container traffic and trade flow through a port more effectively than a manual system. Unsurprisingly, most container terminals are now automated. By managing the container traffic efficiently the container dwell time in the port is reduced significantly thereby increasing the capacity of the port with no extra infrastructure development requirements or associated costs. In fact a port can double its container capacity by simply improving systems and procedures and automation is the easiest way to reap these benefits.

Terminal automation creates far greater stability and predictability in a terminal's operational performance. It makes it easier to meet client contractual agreements and deliver a seamless service to all industry players concerned. As an example, a delay in loading containers on board a ship means a longer stay at the terminal, causing further port delays for vessels coming in, potential penalties and a negative effect for outbound shipping. Automation should help to deliver a more stable and reliable operational performance. Automation also drives significant gains in safety.

Separation between people and machinery reduces accidents and ensures that terminal staff work in a less risky environment since the employee's roles will mostly be in supervision and process management rather than machine operation.

Over the years, KPA have tried to use KWATOS as a tool to automate port operations to achieve efficiency and high productivity. However, though this has been partially realized, a lot more still remains to be achieved. For automation to work it has to be implemented correctly from the start and an audit process must be put in place to ensure any manual inputs to the system are done consistently correctly. Automation requires strict and disciplined management of the system or the automation benefits will not be seen.

Kenya Ships Agents Association understand KPA is fully onboard to embrace automation of the container terminal within the next year and hopes that once the new Terminal Operating System comes into operation, it will improve the yard planning process, the gate systems, the truck booking system and enable better flow of information between departments. Further, it is hoped that the system will include automated stacking cranes that calculate the fastest routes to travel, hence minimizing waiting times for equipment. Gate automation, crane automation, truck lanes and tracking rail wagons for purposes of automating container number detection will all become possible.

By using automated processes, which continually update other systems, terminal operators can provide transparency to port authorities, clients and their logistics partners throughout the supply chain and show the exact location of containers in real time. This allows everyone in the supply chain to improve their planning, which leads to knock on improvements in efficiency to all.

Ultimately, automation of the container terminal will provide safe and efficient services to importers and exporters in a cost effective manner, thus contributing to the economic development of the country and the land locked countries using Kenyan ports.

Lastly, although it feels easy to be confident about the grand potential benefits of establishing a new Terminal Operating System, the implementation and management of it will be critical to its success.



This milestone deserves a gemstone!

Congratulations **Kenya International Freight and Warehousing Association (KIFWA)** on your 20th anniversary. Mitchell Cotts provides holistic logistics solutions to all players in Kenya and our regional hubs. Call us today for tailor made logistics solutions.

Mombasa : +254 730 111 000
Nairobi HQ: +254 730 110 000
Email : info@mitchellcotts.co.ke
sales@mitchellcotts.co.ke



Locally renown and globally respected



Mitchell Cotts is the name to reckon with, in Freight and logistics industry. We provide logistics solutions to all players in Kenya and our regional hubs i.e. Uganda, Rwanda, South Sudan and environs.

Being part of the **LINK** network continues to be a plus in solidifying strong global partnerships and growth.

Our experienced and efficient team ensures that we are always able to keep up with our clients changing needs, hence provide tailor made solutions.

Welcome to the home of logistics solutions.

Mombasa : +254 730 111 000
Nairobi HQ: +254 730 110 000
Email : info@mitchellcotts.co.ke
sales@mitchellcotts.co.ke



KENYA SHIPS AGENTS ASSOCIATION

Promoting Efficiency in Transport and Trade

The overall purpose of KSAA is to promote efficient business processes that in turn encourage the growth of seaborne trade and economic growth in Kenya and the wider East Africa Region. KSAA proactively acts as a custodian of the industry's future by actively promoting training programs to improve shipping practices and management in order to attain high standards. The association works closely and consults with Government agencies and non-governmental organisations in order to agree on common policies that aim to reduce the cost of importing and exporting commodities into East Africa. All the agencies involved recognize the tremendous impact our activities have on the economy of Kenya, the East African region and beyond, and frequently request our involvement when

new regulations, procedures are being considered. The business of logistics can be a complicated one and naturally there are occasional disagreements on various issues. However, we believe that it's fair to say we all respect one another and the jobs we do. We always aim for constructive dialogue and quickly aim to address specific service failures or complaints where possible. We also work closely with the business community on efficiency issues, for example sensitizing them on documentation processes in order to speed up clearance procedures. One of our most important roles is to provide a forum for dialogue and communication with the government which we are endeavouring to do more often, in order to support all the growth plans Kenya and the region are targeting over the next decade.

KENYA SHIPS AGENTS ASSOCIATION

Mission To Seamen Building: Mogadishu Road, Mombasa: P.O. Box 83908, Mombasa, Kenya.

Mobile: 0711 230675 or 0772 945267 Email: info@ksaa.co.ke Website: www.ksaa.co.ke