

Efficiency at Mombasa Port Improved.

1.0 INTRODUCTION:

On weekly basis (Friday from 7:30 – 9:30), a Stakeholders meeting is held at Kenya Port Authority (KPA), Mombasa to discuss weekly performances and challenges encountered. At the end of meeting an action plan is agreed to address challenges highlighted. Below, please find key resolutions from the last two meeting held on 9th and 16th May.

2.0 KEY RESOLUTIONS:

1. Report of the Technical Committee on handling exports through CFSs(Container Freight Station)

The KPA representative confirmed that the report had been forwarded to the Secretariat for circulation to the stakeholders for their review and contributions. He also confirmed that he had received inputs from KMA and other stakeholder's inputs are awaited.

2. Update on discussion on Port Tariff review

The K PA representative confirmed receipt of stakeholder's views. The Business Community representative requested KPA to consider reviewing the current tariff as it is impacting negatively on transit trade.

3. Status of KPA Act review

The meeting was informed that a report on the review will be availed to the stakeholders in the upcoming meeting. Action KPA

4. Compliance with the 24/7 and the current status in regards to CFS and Shipping lines

The meeting was informed that the surveillance had been done over the last two weekends and the Inter-Agency Coordination Committee reported on the low number of clients being served at visited CFSs and called on KIFWA to sensitize its members (Clearing agencies) to embrace the 24/7 operation.

5. Outcome of meeting with CFSs on online invoicing and payment

The meeting was held and shipping lines expressed willingness to raise Delivery orders online. But CFSs on their side said that they still need time to deliberate on the matter.

The Business Community representatives wondered why the matter was still featuring today yet a presidential directive was for full implementation. They called for

implementation of online invoicing given that companies like Maersk Shipping line were already issuing delivery orders on line.

6. NCTTCA .

The NCTTCA reported that performances of the week were as follows:

- (i) The Average time for custom clearance at the Document Processing Centre remained almost constant at 1.47 hours for transit and reduced marginally by 0.15 hours to 1.79 hours for local cargo.
- (ii) Weight Compliance at Athi River weighbridge increased from 91.23% to 93.63% after redistribution. Compliance before redistribution also increased from 43.14% to 46.38%.
- (iii) Average time for Custom clearance at One Stop increased significantly from 46.27 hours to 56.18 hours.
- (iv) Time after customs release slightly reduced from 44.96 hours to 43.74 hours.
- (v) Transit time to Malaba slightly reduced by 3.71 hours to 78.79 hours.
- (vi) The average Port dwell time (Transit and Rail) reduced by about one hour to 52.81 hours.

The Chair called on the KeNHA representative to provide comprehensive response in the next meeting on the reported multiple reweighing of transit cargo directed to be done only twice along the corridor and the NCTTCA to produce quarterly report and state the deep reasons for underperformance.

7. Update on regional harmonization on implementation of ECTS;

KRA representative expressed awareness of the regional COMESA Trucking System and that Rwanda and Uganda had their own. He further said that he was not aware of any regional initiative on harmonization of implementation of ECTS but were willing to cooperate with other member states to realize a harmonized Cargo tracking system. Action: KRA

The Business Community pointed out that ECTS are given to Transporters for free in Uganda and Rwanda and wondered why Kenya could not do the same. They further advised NCTTCA to look into the already existing COMESA tracking system and explore its adoption for wider regional use. Action: NCTTCA.

8. Response to severe challenges experienced by Kenyan based clearing agents on use of Rwanda Single Window system for Rwandese cargo

The Deputy Commissioner RRA responded to cited challenges faced by Kenyan clearing agents and assured them that he has come to specifically deal with access to ASYCUDA, navigation of the ASYCUDA system and vetting challenges.

9. Single Window System Implementation

Regarding the implementation of single window system in Kenya, the meeting was informed that some challenges have been encountered in the launch of sea manifest through the single window system but the same had been resolved.

The meeting was further informed that pilot project is being carried for IDF payment to make convenient for clearing to pay taxes online.

10. Removal of dummy wheels from Mercedes trucks

It is clarified to the meeting that dummy wheels were not removed but disabled so that the truck remain on the ground so that they do not interfere with the axle loads allowed on the roads.

3.0 CONTAINER DEPOSIT ISSUE:

Having received the guarantee letters issued by SONARWA to compensate any loss or damaged containers owned by a Kenyan based Shipping lines, I managed to distribute them. Some shipping lines responded negatively saying that there was no such agreement from the meeting held with them. They charge USD 4,500 for a 40ft container while the guarantee letter is covering 2,000 USD only which is equivalent to what they charge for a 20 feet container.

EVERGREEN shipping line refused to release a container cleared by CLOFFIK based on that letter of guarantee arguing that their system do not recognize insurance or bank guarantees. They only accept cash deposit at the point that they even do not accept check deposit. Therefore there is a need to plan for another meeting and convince them.

4.0 CONCLUSION:

- (i) There is need for Rwanda and Uganda Clearing Agents to have their representatives at Mombasa Port in line with the single customs territory agenda.
- (ii) Furthermore, in order to avoid cash deposit which is a serious burden for the entire business community, there is also a need to urgently plan for another meeting in order to sort out the issue forever.
- (iii) Regarding the electronic cargo tracking system (ECTS), the next step should be having a harmonized system at regional level.