Newsletter, December Edition



INSIDE

- Migration of NTSA Services to E-Citizen
- Enhancing Food Trade Logistics.
- End Year Statistics Report
- ✤ NTBs and Status of SCT
- Mombasa Port Perfomance 2023
- Membership Renewal 2024
- Condolence Message





ORDINARY MEMBERSHIP

<u>Fees Payable</u> Entrance Fee: KES. 1,000 Membership Fee: KES. 10,000 Subscription Fee: KES. 2,000 Per Truck Per Year Truck Stickers: KES. 200 Per Truck Membership Certificate: KES. 500

KTA NEWSLETTER



The KTA Secretariat would like to bring to your attention important information regarding the **National Transport and Safety Authority (NTSA)** and its ongoing efforts to enhance its services.

The NTSA is a State Corporation established through the NTSA Act 2012, entrusted with responsibilities such as motor vehicle registration, inspection, and licensing services. In line with its commitment to improve service delivery, the NTSA is currently working on streamlining its services by migrating to the e-Citizen platform.

Here's what you need to know about this migration:

- 1. Service Disruption Period: The migration process will result in a temporary service disruption starting from December 29, 2023 (midnight) until January 1, 2024.
- 2. **Unavailable Services:** During this migration period, services such as TIMS and other NTSA online services will be temporarily unavailable.
- 3. *Consolidation on e-Citizen Platform:* All NTSA services will be consolidated on the e-Citizen platform after January 1st, 2024.
- 4. Login Credentials: Moving forward, E-Citizen login credentials (Username and Password) will be required for all NTSA services. Individuals assigned to transact on behalf of organizations are required to log in to their E-Citizen accounts and add the specific organization(s) using the KRA PIN Number(s).

Benefits of the Migration:

- **Centralized Access:** This move ensures centralized access to all NTSA services through a single platform, promoting efficiency and ease of use.
- *Improved Service Delivery:* The migration aims to enhance service delivery, offering increased convenience for users, both individual vehicle owners and organizations.
- **Digitalization Initiative**: The migration aligns with the government's broader initiative for the digitalization of public services, contributing to a more streamlined and efficient public sector.

For any inquiries, the NTSA can be reached through **info@ntsa.go.ke**. Alternatively, you can visit the nearest **NTSA office** or **the NTSA Huduma Centre Desk**.

Source: NTSA

ENHANCING SUSTAINABLE FOOD TRADE LOGISTICS IN EAST AND HORN OF AFRICA



On December 6, 2023, the CEO of the **Kenya Transporters Association (KTA)** took center stage at the Collaborative Learning and Adapting (CLA) event, held at the Radisson Blue Hotel, Nairobi. The event shed light on the current state of the logistics sector in East and Horn of Africa, focusing on challenges, constraints, and bottlenecks impacting the movement of food.

Overview of Transport and Logistics Challenges:

The discussions addressed a spectrum of challenges prevalent in regional agricultural trade:

- **1.** <u>*Limited Availability:*</u> Upstream availability, especially in warehouses and silos, remains a bottleneck as well the low agricultural productivity undermines warehouse viability.
- 2. <u>Business Environment Challenges:</u> Warehousing space equated with business turnover leads to higher taxes.
- 3. Transport Logistics Challenges:
 - Disruptions on some corridors affect the movement of trucks.
 - Unstandardized axle load limits increase unit costs, reducing competitiveness.
 - Challenges in containerized vs. un-containerized cargo pose trade-offs.
 - *RHD vs. LHD road systems cause confusion and increased costs.*

4. Other Challenges:

- Contamination of food during transport.
- Limited availability of return cargo on some routes increases transport costs.
- Rail and maritime linkages between East African countries are limited.
- Taxation of logistics services and reliance on foreign currency add complexities.

Key Takeaways from Panel Discussions: Panel highlighted critical insights

<u>Data Sharing and Trust</u>: Addressing downtimes requires improved data sharing and trust-building among institutions and governments.

<u>Optimal Infrastructure Utilization</u>: Optimal use of existing infrastructure at ports and OSBPs is crucial to avoid increased costs.

Security Guarantee: Governments must guarantee security for transporters and traders to facilitate growth.

<u>Private Sector Initiatives</u>: Private sector players should enhance services, improve packaging, and invest in silos and cold chain supply systems.

Information Sharing: Frequent and prompt information sharing between government, business, and international partners is vital.

<u>Capacity Building</u>: Training and certification programs can bridge the gap between truck availability, transporters, and farmers.

<u>Standards Harmonization</u>: Mutual recognition of standards between countries can reduce repetitive testing of products.

<u>Tanzania-Specific Measures</u>: Reducing weighbridges and reviewing speed limits in Tanzania can enhance efficiency.

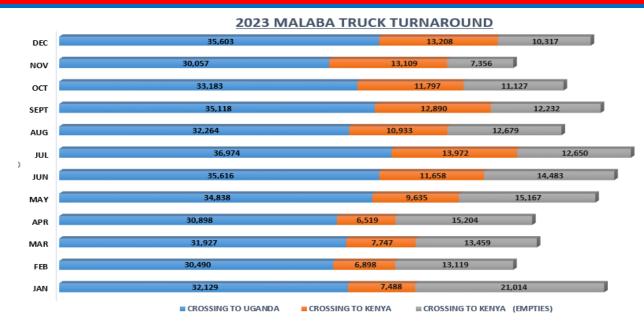
ENHANCING SUSTAINABLE FOOD TRADE LOGISTICS IN EAST AND HORN OF AFRICA (CONT'D)

Opportunities & Solutions:

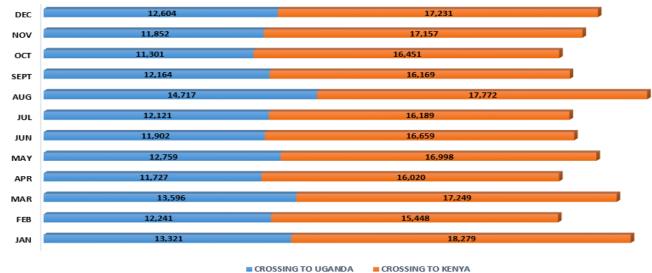
- **1.** <u>Cold Chain Construction</u>: Establishing cold chains around production farms is crucial for preserving perishable goods. Collaborative efforts among stakeholders can lead to a robust cold chain infrastructure, ensuring product freshness throughout the supply chain.
- 2. <u>Reefer Trucks Subsidies</u>: Recognizing the importance of refrigerated trucks, subsidies can incentivize businesses to invest in these vehicles. Governments can institute subsidy programs tailored for perishable goods transport, fostering advanced logistics practices.
- **3.** <u>Pre-Arrival Clearance:</u> Streamlining customs processes is pivotal for reducing delays in the movement of produce. Efficient pre-arrival clearance systems, leveraging technology, can minimize wait times at border crossings, reducing operational costs.
- **4.** <u>*Technology Integration:*</u> Embracing technology provides real-time visibility into farm produce movement and return cargo opportunities. Track-and-trace technologies and data analytics tools empower the industry to monitor and enhance logistics processes.
- 5. <u>Bulk Grain Handling</u>: Dedicated bulk grain vessels offer efficiency in transporting large quantities of agricultural commodities. Collaboration between governments and industry players can promote and invest in bulk grain vessels, optimizing loading processes.
- 6. <u>Load Axe Limits Harmonization</u>: Standardizing load axle limits between countries creates a uniform and efficient transportation network. Engaging in negotiations and agreements for harmonization simplifies cross-border movements and reduces administrative burdens.
- 7. <u>Agricultural Production Increase</u>: A thriving agricultural sector is fundamental for a resilient food trade logistics system. Governments, collaborating with stakeholders, can implement policies to support increased production through technology access and financial incentives.
- 8. <u>Incentives for Transport:</u> Recognizing the role of transporters, offering incentives, such as tax breaks, encourages prioritization of agricultural commodity transportation. Governments can establish incentive programs targeting logistics companies, rewarding efficiency and sustainability.
- **9.** <u>Promoting Export Crops:</u> Diversifying and promoting export-oriented crops stimulates economic growth and generates return cargo opportunities. Collaboration between governments and agricultural bodies can identify and support crops with export potential.
- **10.** <u>SGR Utilization</u>: Leveraging the Standard Gauge Railway offers a sustainable and cost-effective transportation option. Investments in SGR infrastructure by governments and relevant authorities promote efficient agricultural cargo transportation, enhancing regional competitiveness.

In conclusion, the multifaceted approach outlined above demonstrates the interconnected strategies required to address the challenges and capitalize on the opportunities in East and Horn of Africa's food trade logistics. By implementing these solutions, stakeholders can collectively contribute to a more resilient, efficient, and sustainable supply chain ecosystem. *Source: KTA*

END YEAR STATISTICS REPORT

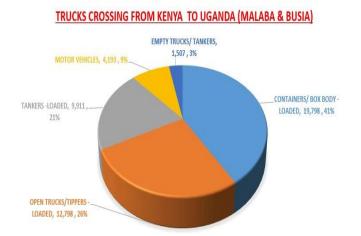


2023 BUSIA TRUCK TURNAROUND

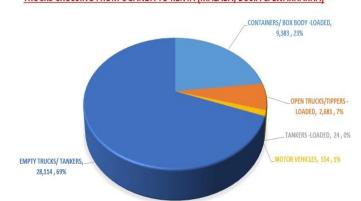


CROSSING TO UGANDA

OVERALL DECEMBER 2023



TRUCKS CROSSING FROM UGANDA TO KENYA (MALABA, BUSIA & LWAKHAKHA)



REMOVAL OF NON-TARIFF BARRIERS AND THE STATUS OF THE SINGLE CUSTOM TERRITORY (SCT)



The Kenya Transporters Association participated in a survey organized by the Northern Corridor Secretariat and the Kenya Ports Authority. The survey aimed to raise awareness about removing non-tariff barriers and assess the status of the Single Customs Territory. Conducted from October 29 to November 8, 2023, the sensitization campaign covered locations such as **Juba (South Sudan)**, **Bukavu (Democratic Republic of the Congo)**, and Kigali (Rwanda).

Port Performance (2018-2022): Port throughput experienced a marginal decline of 1.9% in 2022, mainly due to reduced dry bulk (Grain, Clinker) activities. Container traffic (TEU) increased by 2.7% from 2018 to 2022, reaching 1.4M TEUs in 2022. Transit traffic showed a growth rate of 1.6%, with 2022 traffic summing up to 10,234,075.

<u>Outcomes of Capacity Expansion</u>: Increased port capacities, including Mombasa at 2.1 Million TEUs and Lamu at 1.2 Million TEUs. Improved productivity and turnaround times with increased moves per crane per hour, reduced vessel turnaround time, and enhanced cargo evacuation.

<u>**Transit Market Share (2022):**</u> South Sudan held a transit market share of 9.41% with a cargo growth rate of 19.6%. DRC had a transit market share of 12.34% with a cargo growth rate of 14.5%. Burundi had a minimal transit market share of 0.14% with an 11.1% cargo growth rate.

Recommendations by Member States:

- **Trade Harmonization**: Harmonize policies and regulations across member states, reduce non-tariff barriers, and enhance ICT infrastructure by encouraging weigh-in-motion technology.
- **Transport Infrastructure:** Harmonize road safety management systems, upgrade poor-quality infrastructure, and reduce processing time at Mombasa port.
- *Capacity Building, Monitoring and Evaluation:* Improve monitoring and reporting, educate stakeholders, and facilitate fund mobilization for infrastructure improvement.
- Engagement: Enhance visibility and engagement with the private sector.

Challenges Facing the Northern Corridor:

- 1. Inadequate financial resources and lack of alternative funding options.
- 2. Poor and inadequate infrastructure.
- 3. Low levels of automation and interconnectivity.
- 4. Comparatively high transport costs.
- 5. Partially implemented trade facilitation protocols.
- 6. Persistent non-tariff barriers.
- 7. Low productive capacities for international markets.
- 8. Slow inter-regional trade and market integration processes.

REMOVAL OF NON-TARIFF BARRIERS AND THE STATUS OF THE SINGLE CUSTOM TERRITORY (SCT)...CONT'D

Single Customs Territory (SCT):

This is a step towards full attainment of Customs Union achievable through minimizing internal border controls and removing of trade restrictions between partner states ultimately resulting in free circulation of goods in the customs territory. Critical success factors include information exchange, single agent and declaration lodged at the destination, local currency tax payments, mutual recognition of clearing agents, use of tracking systems, and standardized data formats.

- The achievement of a single customs territory involves the complete realization of the customs union, which is accomplished by eliminating trade restrictions and minimizing internal border controls.
- The objective is to facilitate the free circulation of goods within the customs territory, ultimately reducing the cost of doing business.
- This initiative commenced on January 1st, 2014, and involves EAC partner states, namely Kenya, Uganda, Rwanda, Burundi, and Tanzania.

Key Features of the Single Customs Territory (SCT):

The Single Customs Territory (SCT) features include the clearance of goods at the initial entry point, a single customs declaration at the destination country, movement of goods using a unified regional bond, monitoring through the Regional Electronic Cargo Tracking System (RECTS), interconnected customs systems, reduced internal controls, and pre-arrival clearance.

Objectives of the SCT is to Reduce the cost of doing business and to enhance the application of Information Communication Technology (ICT) for cross-border operations and improve data collection at the regional level. Strengthen the capacity and coordination of both the private and public sectors and to enhance compliance with regional standards and instruments.

Background of Northern Corridor Integration Projects (NCIP): NCIP was launched on June 25th, 2013, in *Entebbe by the Heads of State of Kenya, Uganda, and Rwanda. The major concern was the extended time taken to transport cargo to and from Mombasa.*

Project Aims: Enhance regional interconnectivity and to reduce the cost of doing business and promote regional integration.

Core Mandate of NCIP:

- Provide policy guidance to MDAs.
- Facilitate national coordination for the implementation of directives.
- Coordinate, monitor, and fast-track the implementation of NCIP projects.
- Convene inter-ministerial meetings to evaluate the outcomes of Heads of State summits.
- *Emphasize the need for a structured meeting for the SCT cluster.*

Recommendations:

- NCIP should invite NCTTCA, KTA, and the Ministry of Transport to subsequent meetings.
- The NCIP secretariat should follow up on updating the matrix and circulating minutes before meetings.
- KRA Kenya should reach out to RRA Rwanda to convene a regional cluster meeting.
- Establish a clear roadmap with timelines for upcoming meetings and need for continuous monitoring and evaluations of mitigations set for the efficiency of the Norther Corridor
- Implement continuous monitoring and evaluation of mitigations for the efficiency of the Northern Corridor.

Source: KTA

MOMBASA PORT PERFORMANCE 2023



Mombasa Port, the undisputed king of the East African coast, has broken its own record by managing an impressive **1.6 million TEUs (twenty-foot equivalent units)** containers by the conclusion of 2023, surpassing the **1.43 million TEUs recorded in 2022**. This marks a substantial increase, clearly underscoring the port's steadfast dedication to efficiency and expansion.

Fueled by heightened business activities from emerging markets such as the **Democratic Republic of Congo** *and* **South Sudan**, transit traffic witnessed a growth of **10.8 percent**, reaching **10.42 million metric tons** between **January** and **November 2023**. The projected forecast for the year's end is **11 million metric tons**, compared to the **10.23 million metric tons handled in 2022**.

KPA Managing Director **Capt. William Ruto** noted that container traffic experienced a more significant growth this year, attributing it to enhanced efficiency at the facility. He commended the increased export of Kenyan commodities, deeming it a breakthrough that would enhance the country's foreign earnings and overall economy. Leading exports include avocado, coffee, tea, vegetables, cashew nuts, fish fillets, and various other foodstuffs and beverages.

The remarkable surge in performance at Mombasa Port can be attributed to several key factors identified by the KPA:

- *a.* <u>*Improved efficiency:*</u> Notable reductions in turnaround times for ships (from 3 days to 2 days) and container dwell time (from 4 days to 3 days) have enhanced Mombasa's appeal as a cargo destination.
- **b.** <u>Booming exports</u>: The increase in Kenyan exports significantly contributes to the port's success, benefiting both the economy and foreign earnings.
- *c. Increased transshipment:* Mombasa's role as a key transshipment hub has steadily expanded, with container traffic in this category rising from 121,577 TEUs in 2018 to 210,170 TEUs in 2022.

The port's commitment to continuous improvement has solidified its position as the foremost maritime gateway in the region, positioning it ahead of competitors like Dar es Salaam. Cargo throughput has consistently grown over the past five years, reaching **33.9 million tons in 2022.** Looking ahead, KPA anticipates even higher container volumes and cargo throughput in 2024, portraying a promising future for Mombasa Port.

The success story of Mombasa Port serves as a testament to the transformative impact of innovation, efficiency, and a focus on export-led growth. This positive momentum is poised to benefit not only the port itself but also the broader Kenyan economy. Source: KPA

MEMBERSHIP RENEWAL 2024

It's that time of the year once again – renewal season! As your membership with the Kenya Transporters Association approaches its expiration, we wish to express our heartfelt appreciation for your ongoing support. Your membership has played a crucial role in our accomplishments, and we sincerely value your contribution.

As we reflect on the past year, we take pride in the collective achievements we've celebrated. Here are some noteworthy highlights:

• Advisory on transport rates/charges

Source: KTA

- Organizing a free medical camp for our drivers.
- Facilitating the acquisition of KRA documents and licenses at no cost for our members.
- Addressing Non-Tariff Barriers and diligently following up on the implementation of the presidential directive, such as weighing at entry and exit points.
- *Conducting a comprehensive safety campaign.*
- Strengthening our partnerships with government agencies and other stakeholders amongst others

As we are looking ahead to the future, we are eagerly anticipating what the future holds for the Kenya Transporters Association, and we hope to have your continued membership in 2024. Your support is invaluable as we strive to make significant strides in the transport industry.



ASSOCIATE MEMBERHIP The membership is open to TATA MOTORS organizations or firms **Connecting Aspirations** TATA INTERNATIONAL KENYA with strategic business interest in the transport **BINGWA BORA** sector **DOCUMENTATIONS** INTRODUCING THE NEW ULTRA T9 Copy of PIN certificate/Tax *Compliance Certificate* Copy of **Certificate of Registration**/Incorporation Letter of *application* seeking membership with KTA A signed copy of the Code of TATA Conduct. Joining fee KES. 100,500 which is payable annually. **BENEFITS** Strategic Branding Events & Networking • Research & Insights Free Adverts ABS Horse Stulish Cabin Access to Members Load Bodu Power For Best In Class Comfort For Better Safetu Data **BECOME A MEMBER** +254 720 861 583 OUR NETWORK: Nairobi | Mombasa | Thika | Athi-river | Nakuru | Eldoret | Naivasha | Kericho | Kisumu | Malindi

Your gateway to global markets

Our offices in Kenya, Uganda, Rwanda and DRC are open for business. Talk to us today to get your goods from port to port with ease.

Mombasa | Lamu | Nairobi ICD | Naivasha ICD Kisumu Port | Uganda | Rwanda | DRC

Reach us on Tel: +254 (41) 211 2999 Email: customerfeedback@kpa.co.ke



VISION

A united association of global excellence in advancing sustainable road freight services

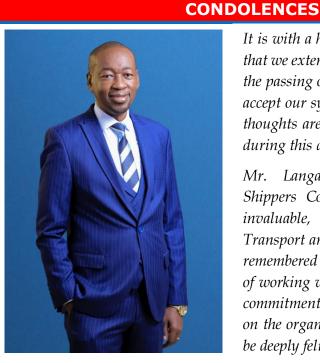
MISSION

To strengthen and improve transportation by serving and leading its diverse membership through advocacy, innovation and information sharing

FIND USImage: Colspan="2">KTA_KenyaImage: Colspan="2">Kenya
Transporters
Association LtdImage: Colspan="2">NAIROBI TEL:
0701726025Image: Colspan="2">MOMBASA TEL:
0731010000

GET IN TOUCH WITH US

TOM MBOYA ROAD, TUDOR, MOMBASA P.O BOX 88502 – 80100 MOMBASA, KENYA TEL: 0731010000 Email: info@kta.co.ke Layout & Design: Walter Misama



It is with a heavy heart and deep sadness that we extend our sincere condolences on the passing of Mr. Gilbert Langat. Please accept our sympathies and know that our thoughts are with his family and friends during this difficult time.

Mr. Langat's contributions to the Shippers Council of East Africa were invaluable, and his dedication to the Transport and Maritime industry will be remembered by all who had the privilege of working with him. His leadership and commitment have left an indelible mark on the organization, and his absence will be deeply felt.

During this time of sorrow, KTA wishes to express its solidarity and support to the entire Shippers Council family. May they find strength in each other as they navigate through this challenging period. The Kenya Transporters Association Limited members and the entire transport fraternity prayers are with Mr. Langat's family, friends, and colleagues as they come to terms with this profound loss.

Mr. Gilbert Langat's legacy will live on through the positive impact he had on the Transport and Maritime community, and his memory will be cherished by those whose lives he touched.

Interment Update

- 1. The body of Mr. Langat is lying in repose at the Lee Funeral Home, Nairobi.
- 2. Daily meetings are being held at his Karen Home, Academy Road, Karen.
- **3.** Funeral Services will be held at the CITAM Church, Karen on Wednesday January 3rd 2024 at 2.00PM.
- **4.** Burial will be at Lessos Nandi on Friday. January 5th, 2024.



ALL TRUCKS ROAD TESTED AND CHECKED BEFORE SALE SHIPPING, CIF, INSPECTIONS AND AD-BLUE REMOVAL ARRANGED IF REQUIRED

The Kenya Transporters Association Limited (KTA) is a business association of road transporters whose broad objective is to provide a common voice to articulate business constraints facing its members, while being a united association of global excellence in advancing sustainable and competitive road freight services in Kenya, East Africa Region and beyond.