



KTA NEWSLETTER

INTRODUCTION OF ELECTRONIC CARGO TRACKING NOTE FEE BY THE SOUTH SUDAN REVENUE AUTHORITY (SSRA)

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- Subscription Fee: KES. 2,000
Per Truck Per Year
- Truck Stickers: KES. 200 Per
Truck
- Membership Certificate: KES.
500



The South Sudan Revenue Authority (SSRA) recently introduced a new fee of **USD 350** for all goods entering and leaving South Sudan. The Kenya Transporters Association advised its membership that the fee to be borne by either the importer or exporter of the commodities.

Introduction of Electronic Cargo Tracking Note

In efforts to ensure compliance and accurate declaration of cargo destined for South Sudan, the Electronic Cargo Tracking Note (ECTN) was introduced. This measure aimed to address the issue of traders providing incorrect information to Customs. Transporters are strongly advised to obtain the mandatory ECTN certificate before commencing their journey. This certificate can be obtained through the clearing agent or via the following link: [ECTN SSRA Portal](#). Registration on the portal is free and straightforward. It's crucial to note that each certificate is only valid for the specific trip it was issued for and which drivers must carry and present to Invesco agents at the border. This measure is essential to ensure seamless passage through customs checkpoints.

Challenges and Recommendations

While acknowledging the significant changes in South Sudan, the Kenya Transporters Association (KTA) notes several challenges faced by transporters during transit:

- ❖ *Insecurity in certain regions.*
- ❖ *In cases of accidents, COMESA insurance is not accepted, necessitating cash payments.*
- ❖ *Offloading of cargo at destination areas, subjecting drivers to checks by various security officers rather than customs officers.*
- ❖ *Instances of driver harassment by Customs Officers.*

Call for Action

KTA urges the SSRA to address these challenges promptly and provide sustainable solutions to facilitate smoother trade within the region. Collaboration between stakeholders is essential to overcoming these hurdles and ensuring efficient cross-border trade operations. For any inquiries or assistance regarding the new fee implementation or ECTN requirements, feel free to contact the South Sudan Revenue Authority or the Kenya Transporters Association.

KENHA'S TOLERANCE FOR HIGH CUBE SHIPPING CONTAINERS



The seamless transportation of goods using **40-foot High Cube Shipping Containers** in Kenya faced a significant challenge recently, as the **Kenya National Highways Authority (KeNHA)** began impounding trucks carrying such containers if their height exceeded the allowable limit of 4.3 meters. While aimed at enforcing regulations, this move posed notable hurdles for the transport industry and raised concerns about the competitiveness of vital transportation routes, especially the Northern Corridor linked to the Port of Mombasa.

The Kenya Transporters Association is cognizant that the regulations regarding vehicle dimensions, including height limits, are clearly outlined in the **Fourth Schedule of the East African Community Vehicle Load Control Act** and the **Twelfth Schedule of the Kenya's Traffic Act CAP 404**. Adhering to these regulations is crucial for all stakeholders, including transporters.

However, the strict enforcement of the 4.3-meter height limit resulted in operational bottlenecks and financial burdens for transporters, with trucks facing impoundment and hefty fines. Recognizing the implications of these actions on the efficiency and competitiveness of the transport sector, the Kenya Transporters Association (KTA) engaged with KeNHA to address the issue.

Following constructive engagement between KTA and KeNHA, a breakthrough was achieved on **March 8th, 2024**. KeNHA agreed to grant a tolerance of 0.2 meters, allowing transporters to load 40-foot high cube shipping containers up to 4.5 meters above the permissible height limit until further notice. This decision reflects a pragmatic approach to balancing **regulatory compliance** with the **practicalities** of cargo transportation, ensuring that the industry can operate efficiently without compromising safety standards.

The granted tolerance recognizes the unique characteristics of high cube shipping containers and the logistical challenges associated with their transportation. By providing this flexibility, KeNHA demonstrated its responsiveness to industry concerns while maintaining its commitment to regulatory compliance.

Looking ahead, it is imperative for all stakeholders to continue engaging in constructive dialogue to address regulatory challenges and streamline transportation processes. Collaboration between government agencies, industry associations, and transport operators is essential to foster a conducive operating environment that supports economic growth, trade expansion, and infrastructure development.



Highway drivers are transporting illegal goods without the truck owners' authorization, leading to an increase in cases of trucks being impounded for carrying narcotics, undocumented immigrants, alcohol, etc., without the knowledge and permission of the truck owners.

WELL-ORGANIZED CARTELS: Highly financed cartels, are involved in these coordinated activities, exploiting truck owners by impounding trucks to further their agenda. Those who choose to follow proper procedures are intimidated and blackmailed by officers, who threaten truck forfeiture to the state, misrepresenting the law to spread fear and extort

CONSEQUENCES FOR DRIVERS: Any driver caught transporting illegal goods like narcotics, undocumented immigrants, etc., should include legal action, as they act without the truck owner's knowledge or permission and should be arrested and prosecuted after thorough investigation.

THE TRUCKS: Trucks should only be used for investigations and evidence collection, with investigation officers able to request a court order granting them a maximum of seven days for completion. After processing, the truck should be released, with provisions for court presentation if necessary. If perishable goods or significant losses are incurred due to impoundment, owners can apply for an urgent release certificate, with the truck returned after consignment delivery. Typically, courts release trucks within a maximum of seven days under normal circumstances.

EXTORTION BY POLICE: Corrupt police officers embedded within trafficking and extortion rings exploit this situation to blackmail and extort truck owners, employing various methods such as immediate bribes upon impounding trucks with illegal goods. If payment cannot be made immediately, officers at the station threaten media involvement and claim the truck will be detained until lengthy investigations and court cases conclude, also threatening truck forfeiture to the state, demanding significant bribes for release.

STAGED MEDIA INVOLVEMENT AND THREATS OF TRUCK FORFEITURE AND BUREAUCRATIC RUNAROUND: If owners insist on due process, a bureaucratic runaround occurs, with each department and officer claiming no responsibility for release and blaming others. Officers claim to have express instructions from headquarters to disobey court orders and hold trucks indefinitely, sometimes forcing owners to return to court

WAY FORWARD:

1. **Standard Operating Procedures:** The police or judiciary should issue and publish standardized procedures with timelines on what happen when a truck is caught carrying illegal goods. This will help transporters nationwide understand their rights and the legal process.
2. **Transporter Action:** Transporters need to be brave and refuse to be intimidated by these cartels. Do not pay any bribes, and insist on following the due process. This is the only way to stop this menace. It persists because we give in to the extortion.
3. **Police Reform:** Police have sworn to uphold the law. They should never disobey court orders. We contend that anyone who has the audacity to disobey a court order must be confident of protection from his superiors.



Appearing before the **Departmental Committee on Trade, Industries and Cooperatives**, the Kenya Transporters Association Chairman **Mr. Newton Wang'oo** advocated for a mandatory **60 percent** stake in local transportation and logistics businesses for multinational firms operating in the country. He argued that such a measure would protect local players from exploitation by multinational corporations. He highlighted existing loopholes in laws that leave local entrepreneurs vulnerable to exploitation. Chairman Newton Wang'oo emphasized that multinational companies often outsource logistics services abroad, creating an uneven playing field for local companies.

KEY AREAS OF CONCERN HIGHLIGHTED

1. **Limited Local Participation:** Multinational corporations (MNCs) often outsource logistics services abroad, bypassing local companies and hindering their competitiveness.
2. **Disparity in Investment:** Despite local entrepreneurs owning 90% of trucks in Kenya, MNCs secure over 70% of logistics contracts, limiting opportunities for local investors.
3. **Uneven Economic Impact:** Local businesses reinvest profits within Kenya, while MNCs repatriate theirs, underscoring the importance of supporting local participation for sustainable economic growth.
4. **Regional and Global Market Preparedness:** Kenyan freight logistics aim for readiness in regional, continental, and global markets, but achieving this requires a strong local foundation to seize opportunities in intra-African trade and beyond.
5. **Unfair Practices by Shipping Lines:** Shipping lines engage in practices that hinder competition, including monopolizing various aspects of the logistics chain and allegedly restricting choices for customs agents and importers/exporters.

TYPES OF ABUSES BY MULTINATIONAL CORPORATIONS

Regulators and industry stakeholders are concerned about the following anti-competitive behaviors by MNCs in the Kenyan transport and logistics sector:

1. **Exclusive Contracts:** MNCs secure exclusive agreements with key suppliers or distributors, shutting out smaller local companies from essential resources and markets.
2. **Discriminatory Practices:** MNCs favor large customers with discounts and preferential treatment, while putting smaller competitors at a disadvantage.
3. **Barriers to Entry:** MNCs leverage their market power to create barriers that make it difficult for new companies to compete effectively.
4. **Anti-Competitive Agreements:** MNCs engage in collusive agreements with competitors or suppliers, such as price-fixing or market allocation schemes, to maintain their dominance.
5. **Predatory Pricing:** In some cases, MNCs resort to predatory pricing, temporarily lowering prices to drive out competitors and then raising them once they have achieved a monopoly.
6. **Lack of Transparency:** A lack of transparency in pricing and contracting practices by MNCs makes it challenging for regulators and competitors to identify anti-competitive behavior.

With Kenya aiming to expand its presence in regional and global markets, the association stressed the need to address these challenges to safeguard local investors and foster a robust domestic foundation for international trade. Failure to address these issues, could hinder Kenya's ability to capitalize on opportunities in the evolving global trade landscape.



The alarming surge in **road accidents** across Kenyan roads has become a matter of grave concern for citizens nationwide. The recent tragic incident resulting in the loss of eleven students from Kenyatta University and injuries to 42 others has brought this issue to the forefront of public consciousness. As a key stakeholder in the transport industry, the **Kenya Transporters Association (KTA)** acknowledges the urgent need for proactive measures to avert such devastating occurrences.

In response to the escalating toll of road accidents, the KTA, through its road safety awareness initiative published on April 19, 2023, put forth a vital proposal aimed at enhancing safety within educational institutions, the implementation of mandatory annual driver medical assessments. This proposition is geared towards safeguarding the lives of students, passengers, and other road users who rely on buses or vans for transportation. It is imperative that educational institutions prioritize the well-being of their students and staff by taking proactive steps in this regard.

Significance of Driver Health:

Road accidents are often attributed to various factors, including human error and mechanical faults. However, the significance of driver health cannot be overstated. Ensuring that drivers are physically and mentally fit to operate vehicles is paramount in mitigating risks on the road. By mandating annual medical assessments for drivers, educational institutions and other stakeholders can identify any underlying health issues that may compromise their ability to drive safely.

Defensive Driver Training:

Furthermore, the KTA underscores the importance of defensive driver training for all drivers, irrespective of age or experience. Defensive driving techniques empower drivers to anticipate and respond effectively to potential hazards on the road, thereby reducing the likelihood of accidents. Regular refresher courses are essential to ensure that drivers maintain their skills and remain abreast of best practices in road safety.

Advantages of Defensive Driving:

Embracing defensive driving principles not only saves lives but also yields significant benefits in terms of time and cost savings. By prioritizing safety and accident prevention, educational institutions can minimize disruptions caused by accidents, thereby safeguarding valuable instructional time and resources. Additionally, investing in driver training and certification underscores a commitment to the well-being of students and staff.

In conclusion, urgent action is needed to address the escalating crisis of road accidents in Kenya. By implementing measures such as mandatory annual driver medical assessments and defensive driver training, we can collectively strive towards a safer road environment for all.

COMPLIANCE



In Kenya, ensuring compliance with regulations governing commercial vehicle operations is paramount to maintaining safety standards and upholding legal obligations. The regulators are implementing strict measures to enforce compliance, particularly concerning vehicle weight, inspection certificates, customs documentation, and adherence to safety regulations, amongst others. Failure to comply with these regulations can lead to severe penalties and consequences for operators.

Hefty Fines for Absconding Weighbridges

Kenya National Highways Authority (KeNHA) mandates that vehicles weighing 3,500 kilograms and above must undergo weighing at designated weighbridges laden or unladen. Absconding these weighbridges is a serious offense and can attract hefty fines. This regulation is crucial for ensuring road safety and preventing overloading, which can lead to accidents and road damage.

Validity of Inspection Certificates

The National Transport and Safety Authority (NTSA) requires commercial vehicles to possess valid inspection certificates. Operating without such documentation is a violation of the law. These inspections are essential for ensuring that vehicles meet safety standards, reducing the risk of accidents on the roads.

Customs Control and Documentation

Under the East Africa Community Customs Control Act, conveying goods under customs control by the Kenya Revenue Authority (KRA) without proper documentation is strictly prohibited. This applies especially to drivers who are not authorized to transport such cargo. Failure to comply can result in legal consequences for both the driver and the company involved.

Authorization for Carrying Goods or Passengers

Operating a vehicle to transport goods or passengers/immigrants without the authorization of the vehicle owner can raise serious consequences to both the driver and the transporter. Drivers are individually liable for such offenses and may face charges in court. This is to uphold accountability and prevent unauthorized use of vehicles for commercial purposes.

Adherence to Port Safety Regulations

Kenya Ports Authority (KPA) imposes stringent safety regulations for vehicles operating within port premises. Failure to adhere to these regulations not only poses risks to personnel and property but also carries legal consequences. Companies found in violation may face deregistration from the Kilindini Waterfront Automated Terminal Operation System (KWATOS), emphasizing the importance of compliance with port safety protocols.

Adherence to regulations governing commercial vehicle operations is essential for ensuring safety, efficiency, and legal compliance. Operators must familiarize themselves with these regulations and take proactive measures to uphold them. Compliance not only avoids legal penalties but also contributes to the overall integrity and safety of the transportation industry in Kenya.

2024 KENYA TRANSPORTERS ASSOCIATION MEMBERSHIP RENEWAL

Dear Esteemed KTA Member,

Happy New Month! We hope you are all staying well and safe.

Subscription Payment Update: The deadline to pay subscriptions to KTA was yesterday, March 31st, 2024. As a result, transporters who haven't paid their subscriptions are no longer considered active KTA members.

KTA Membership and Benefits: KTA membership and subscriptions are voluntary. While not mandatory, your support directly benefits the entire transport industry. The association's work contributes to the success of all transporters in the road sector. A recent example is our successful lobbying effort to prevent KeNHA from impounding trucks carrying standard 40-foot high cube containers on height dimensions violations. This achievement benefited all transporters, including non-members.

Going forward.

- 1. Paid Members:** Thank you for your continued support!
- 2. Members Intending to Pay:** Please contact the Secretariat to propose a written payment plan that includes an immediate partial payment and not for more than 60 days.
- 3. Members Not intending to renew:** We kindly ask you to leave our forums on your own accord. We wish you the best and hope you'll consider rejoining in the future. A unified voice for all Kenyan transporters is crucial for increased strength and influence.

The Secretariat will begin removing transporters who haven't paid subscriptions on 5th April 2024 from all our members' forums. We appreciate your understanding and continued support.

ASSOCIATE MEMBERSHIP

The membership is open to organizations or firms with strategic business interest in the transport sector

DOCUMENTATIONS

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 Conduct.

Joining fee KES. 100,500 which is payable annually.

BENEFITS

- Strategic Branding
- Events & Networking
- Research & Insights
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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 US



KTA_Kenya



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A PATH TO FAIRER PARKING POLICIES



On April 3rd, 2024, the KTA Board of Directors held a meeting with His Excellency, Governor **Abdulsamad Sherrif Nassir** of Mombasa. The purpose of the meeting was to discuss proposed adjustments to parking regulations. The following recommendations were presented for the County Government's consideration:

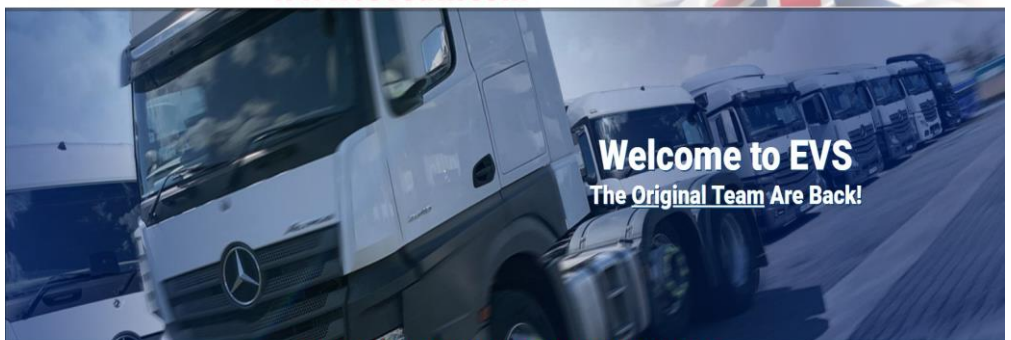
- 1. Discontinuation of Accumulated Daily Parking Charges for Clamped Vehicles:** The KTA Management requested that the practice of adding daily parking charges for online-clamped vehicles be discontinued.
- 2. Waiver of accumulated Daily Parking Charges:** KTA advocated for the waiver of all accumulated daily parking charges for online-clamped vehicles with only clamping charges to remain.
- 3. Reduction of Clamping Charges:** KTA Management requested a reduction in the current clamping charges of KES. 15,600
- 4. Extended Notice Period for payment:** KTA sought an extension of the notification period for parking fee payment from 30 minutes to 1 hour.
- 5. Multiple Phone Numbers for Parking Notifications and Payment:** The management requested the ability to link multiple phone numbers to a single vehicle registration for receiving parking notifications and facilitating payments
- 6. Automated Payment Reminders:** KTA proposed the implementation of an automated system for sending payment reminders for outstanding parking charges

The Governor responded positively to the requests and requested an internal review period **until April 10, 2024** to align internal processes and notify the association of acceptance to the requests. Additionally, the Governor informed the meeting that the clamping charges has been reduced from **KES. 15,600 to KES. 6,000** in the new **County Finance Bill** currently undergoing **Public Participation**.



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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.