



TANZANIA SHIPPERS' COUNCIL (TSC)

**WORKSHOP ON INTERNATIONAL FREIGHT
LOGISTICS BEST PRACTICES**

19th TO 20th SEPTEMBER, 2018

THE COURTYARD HOTEL, DAR ES SALAAM

HISTORICAL BACKGROUND ON THE FORMATION OF SHIPPERS COUNCIL

- ❑ **PRIOR TO 1978 SHIPPING IN THE AFRICA REGIONS AND MANY DEVELOPING COUNTRIES INCLUDING TANZANIA SUFFERED FROM DETERIORATING QUALITY OF SHIPPING SERVICES.**
- ❑ **NEED FOR COUNTERVEILING MONOPOLY POWER OF CONFERENCE LINES**
- ❑ **UNCTAD INTERVENTION ON THE MATTER RESULTED INTO A LINER CONFERENCE CODE IN 1965.**

HISTORICAL BACKGROUND...Cont'd

- ❑ THE CODE CALLED FOR THE FORMATION OF SHIPPERS COUNCILS IN DEVELOPING COUNTRIES, TO CATER FOR ADVOCACY AGAINST POOR SERVICES AND STIFLING FREIGHT SURCHARGES.**
- ❑ THE UNCTAD CODE WAS AIMED TO BETTER MODULATE AND REGULATE THE TRADE PRACTICES IN THE INDUSTRY.**

WHO IS A SHIPPER?

THERE ARE DIFFERENT DEFINITIONS AS SHOWN BELOW:

- ❑ **TRADITIONAL PRACTICE: A PERSON WHO IS LEGALLY OBLIGED TO PAY THE TRANSPORT CARRIER FOR TRANSPORTATION OF GOODS**
- ❑ **UNCTAD / NIGERIA – A PERSON OR ENTITY WHO ENTERS INTO A CONTRACT OF AFFREIGHTMENT, WHO HAS BENEFICIAL INTERESTS**
- ❑ **US SHIPPING ACT 1987 – AN OWNER OR PERSON ON WHOSE ACCOUNT THE OCEAN TRANSPORTATION IS PROVIDED FOR THE PERSON WHOM CARGO IS TO BE DELIVERED**

WHO IS A SHIPPER?

THERE ARE DIFFERENT DEFINITIONS AS SHOWN BELOW:

- ❑ **TSC – AN IMPORTER OR EXPORTER WHO ENTERS INTO A CONTRACTUAL ARRANGEMENT WITH A SERVICE PROVIDER SUCH AS A SHIPPING LINE AND A PROVIDER FOR HANDLING TRANSPORT, RECEIPT OR DISPATCH OF GOODS AS GENERALLY UNDERSTOOD AND ACCEPTED WITHIN INTERNATIONAL TRADE PRACTICE**

TYPES OF SHIPPERS COUNCILS

- ❑ SHIPPERS COUNCILS OF TYPICALLY WEST EUROPEAN TYPE ARE WHOLLY PRIVATE SECTOR DRIVEN, e.g. EUROPEAN SHIPPERS COUNCIL
- ❑ IN WEST AND CENTRAL AFRICA , SHIPPERS COUNCILS ARE CREATED AND CONTROLLED BY GOVERNMENTS i.e. NIGERIA
- ❑ WHERE A MIXTURE OF GOVERNMENT AND PRIVATE SECTOR ASSOCIATIONS e.g. AFRICA, ASIA AND OTHER DEVELOPING COUNTRIES.

TYPES OF SHIPPERS COUNCILS.. Cont'd

- ❑ SHIPPERS COUNCIL EXISTS IN AMONG OTHER NATIONS
i.e. AUSTRALIA, INDIA, MALAYSIA, THAILAND, HONG
KONG, KOREA, INDONESIA, PHILLIPINE, BANGLADESH,
JAPAN, PAKISTAN, PAPUA NEW GUINEA, SINGAPORE

EXAMPLES OF SHIPPERS COUNCIL IN AFRICA

- ❑ **ANGOLA, BURKINA FASO, BURUNDI, CAMERRON, CENTRAL AFRICA REPUBLIC, CONGO (DRC), COITE D' AVOIRE, GABON, GAMBIA, GHANA, GUINEA BISAU, GUINEA CONAKRY, KENYA, LIBERIA, MAURITANIA, NIGERIA,**
- ❑ **RWANDA, SENEGAL, SIERRA LEONE, SOUTH AFRICA, SOUTH SUDAN, TANZANIA, TOGO, UGANDA, ZAMBIA & ZANZIBAR**

FORMATION OF THE SHIPPERS COUNCIL CHAPTER - TANZANIA

- INITIALLY, THE TANZANIA SHIPPERS CHAPTER WAS ESTABLISHED UNDER THE AUSPICE OF THE MINISTRY OF TRADE AND INDUSTRY IN THE EARLY 1980s, AND UNFORTUNATELY IT LACKED BOTH OPERATIONAL RESOURCES AND THE SECRETARIET.**

- THIS SHORTFALL CONTINUED UNTIL THE FOUNDER MEMBERS THROUGH THE THEN MINISTRY OF TRADE, INDUSTRY & MARKETS (2016) ORGANIZED A STAKEHOLDER MEETING AT THE KARIMJEE HALL, WHERE THE CURRENT BOARD TOOK OVER.**

FORMATION OF THE SHIPPERS COUNCIL CHAPTER – TANZANIA.... Cont'd

- ❑ THE NEW BOARD WAS ABLE TO LOOK FOR FINANCIAL SUPPORT, FROM DIFFERENT SPONSORS, AND WERE PREVIDEGED TO RECEIVE BOTH THE TECHNICAL AND FINANCIAL ASSISTANCE (March, 2018) FROM ISCOS SECRETARIET, TO KIRK START THE COUNCIL**
- ❑ THE NEW BOARD WAS ABLE TO RECRUIT A FULL TIME SECRETARIET IN APRIL, 2018.**

WHAT IS THE TANZANIA SHIPPERS COUNCIL (TSC)?

- ❑ THE TANZANIA SHIPPERS COUNCIL IS A CORPORATE BODY ESTABLISHED UNDER THE COMPANY ACT No. 212
- ❑ TSC OPERATES FROM THE OFFICES OF THE CONFEDERATION OF TANZANIA INDUSTRIES OFFICES (CTI) AT THE NIC INVESTMENT HOUSE (9th FLOOR), DAR ES SALAAM
- ❑ THE MANAGEMENT OF THE TSC IS UNDER A NEW BOARD OF DIRECTORS LEADERSHIP, WHICH CAME INTO EFFECT ON THE 23rd APRIL, 2016

WHAT IS THE MISSION OF THE TANZANIA SHIPPERS COUNCIL?

TO UNIFY IN-COUNTRY SHIPPERS AND GIVE THEM THE NECESSARY BARGAINING STRENGTH :

- ❑ TO OBTAIN **ADEQUATE AND EFFICIENT SERVICES** AT MINIMUM COSTS FROM SHIPPING SERVICE PROVIDERS
- ❑ TO PROVIDE **SHIOWNERS, GOVERNMENT AGENCIES AND PORT AUTHORITIES** WITH THE MEANS AND CHANNELS OF COMMUNICATING WITH SHIPPERS, AND OF OBTAINING AN AUTHORITATIVE SHIPPERS' SUPPORT

OBJECTIVES OF THE TANZANIA SHIPPERS COUNCIL

TANZANIA SHIPPERS COUNCIL AIM TO:

- ❑ PROTECT SHIPPERS INTERESTS IN MATTERS AFFECTING THEIR EXPORT AS WELL AS IMPORTS.
- ❑ PROMOTE STAKEHOLDERS CONSULTATIONS, NEGOTIATIONS, CONSENSUS AND AGREEMENTS ON SERVICE STANDARDS, RATES AND OTHER CHARGES THROUGH THE REGULATOR (TASAC)
- ❑ MODERATION AND STABILIZATION OF COSTS RELATED TO INDUSTRY CHARGES i.e. PORT SERVICES, LOCAL SHIPPING & HAULAGE CHARGES etc.
- ❑ PROVIDE **REGULAR AND RELIABLE ADVICE TO THE GOVERNMENT** ON MATTERS AFFECTING TANZANIAN SHIPPERS

OBJECTIVES CONT....

- ❑ TO PROMOTE EFFICIENT AND TIMELY DELIVERY OF SHIPPING SERVICES PROVIDERS UNDER THE MOST ECONOMICAL ARRANGEMENTS
- ❑ PARTICIPATE IN INTERMEDIATION & MODERATION IN RESOLUTIONS OF STAKEHOLDERS DISPUTES AND COMPLAINTS BEFORE THE REGULATOR (TASAC)
- ❑ FURTHER TO THE 1966 UNCTAD CODE ESTABLISHING THE SHIPPERS COUNCIL, THE 1997 COTONOU II - RECOMMENDED THE INTERVENTION ON SURFACE TRANSPORT, TO MATTERS AFFECTING SHIPPERS ON SMOOTH DELIVERY OF GOODS
- ❑ SO CURRENTLY SHIPPERS COUNCIL **COVER ALL SURFACE MODES OF TRANSPORT** IN NEGOTIATIONS / CONSULTATIONS

CURRENT ACTIVITIES OF THE TANZANIA SHIPPERS COUNCIL?

- ❑ PARTICIPATING IN ADVOCACY FOR **THE SHIPPERS' CHOICE OF THE PLACE OF DELIVERY** AS REMARKED ON THEIR RESPECTIVE B/Ls.
- ❑ PARTICIPATED ON THE DRAWING OF THE **STANDING "SOP" FOR PORT CONTAINER DELIVERY** TO ICDs, AS PROPOSED BY TPA & TICTS THROUGH SUMATRA.
- ❑ ON-GOING PARTICIPATION ON TPSF INITIATIVES FOR **IDENTIFYING BOTTLENECKS ON CLEARANCE AND FORWARDING** AFFECTING THE PORT OF DAR ES SALAAM.
- ❑ > CONSULTATION WITH OTHER INDUSTRY STAKEHOLDERS VERSUS CUSTOMS (TRA) BEFORE THE REGULATOR (TASAC) ON IDENTIFYING LIABLE PARTY IN THE EVENT OF A WRONG DECLARATION (MANIFEST / ENTRY) i.e. Seals, Container Number, Chassis Number FOR **PENALTY CHARGEABLE**.

TSC ACTIVITIES CONT.....

- ❑ TSC IS AMONG THE 13 INSTITUTIONS THAT MAKE THE NATIONAL FREIGHT AND LOGISTICS PLATFORM UNDER THE ADMINISTRATION OF THE TPSF AND THE MINISTRY OF COMMUNICATION & TRANSPORT
- ❑ TSC IS A MEMBER OF THE PORT IMPROVEMENT COMMITTEE (PIC) FOR THE PORT OF DAR ES SALAAM.

WHO ARE ELIGIBLE MEMBERS OF THE TANZANIA SHIPPERS COUNCIL

- ❑ CORPORATE MEMBER
- ❑ ORDINARY MEMBER (LARGE IMP/EXP)
- ❑ ORDINARY MEMBER (MEDIUM IMPORTER / EXPORTER)
- ❑ AFFILIATE / ASSOCIATES (ICD/ACADEMIC/ C&F/ AGENCIES)
- ❑ ORDINARY MEMBER (SMALL IMPORTER / EXPORTER)
- ❑ ORDINARY MEMBER (MICRO IMPORTER / EXPORTER)

HOW TO BECOME A MEMBER OF TANZANIA SHIPPERS COUNCIL

- ❑ **FILL UP MEMBERSHIP APPLICATION FORM & PROVIDE COPIES OF YOUR REGISTERED FIRM**
- ❑ **PRESENT APPLICATION FORM TO THE TSC SECRETARIET**
- ❑ **PAY FOR YOUR CATEGORY MEMBERSHIP APPLICATION FEE**

APPLICABLE ANNUAL FEES & SUBSCRIPTION

- ❑ CORPORATE MEMBER TSHS. 1,000,000/=
- ❑ ORDINARY MEMBER (LARGE IMP/EXP) TSHS. 800,000/=
- ❑ ORDINARY MEMBER (MEDIUM) TSHS. 500,000/=
- ❑ AFFILLIATE / ASSOCIATES TSHS. 300,000/=
- (ICD/ACADEMIC/ C&F/ AGENCIES)
- ❑ ORDINARY MEMBER (SMALL) TSHS. 200,000/=
- ❑ ORDINARY MEMBER (MICRO) TSHS. 100,000/=

ADVANTAGES OF JOINING THE SHIPPERS COUNCIL

- ❑ THE COUNCIL IS THE ONLY **DIRECT PLATFORM** THAT WILL ADDRESS SHIPPERS' CONCERN TO VARIOUS STAKEHOLDERS IN THE INDUSTRY AS WELL TO THE REGULATOR.
- ❑ BY BECOMING A MEMBER TO THE CARGO OWNERS' ASSOCIATION, ONE IS **ASSURED OF REPRESENTATION** THUS ENABLE THE CREATION OF A SUBSTANTIAL COLLECTIVE VOICE.
- ❑ BEING THE **SOURCE OF KNOWLEDGE**, WHERE OTHER INSTITUTIONS SHOULD SEE TSC AS THE PREFERRED VOICE OF THE CARGO OWNERS
- ❑ ENABLING THE **CREATION OF A NETWORK** PLATFORM FOR SHARING OF INFORMATION THROUGH THE TSC SECRETARIET

PROPOSED WORK PLAN FOR 2018 / 2019

- ❑ CALL FOR **RECRUITING MEMBERS** COUNTRYWIDE.
- ❑ ESTABLISHING **ZONAL OFFICES** IN MWANZA, TANGA, ARUSHA, MBEYA AND MTWARA REGIONS, TO ENABLE A COUNTRY WIDE ATTENTION TO SHIPPERS.
- ❑ UNDERTAKE AN **IN-COUNTRY SURVEY** TO DETERMINE SHIPPERS' CHALLENGES AIMED AT FORMING A BROAD BASE ADVOCACY.
- ❑ ESTABLISH A **WEBSITE & A QUARTERLY JOURNAL** TO CATER FOR SHIPPING AND INDUSTRY NEWS

CONCLUSION

- ❑ CURRENTLY SHIPPER / CARGO OWNERS DO NOT HAVE THEIR **OWN INSTITUTION** FOR ADVOCACY ON THE REDUCTION OF SHIPPING COSTS.
- ❑ TANZANIA SHIPPING COUNCIL PROVIDE A PLATFORM FOR SHIPPERS / CARGO OWNERS **TO MEET AND AIR THEIR CONCERNS** THAT ARE AIMED TO IMPROVE NATIONAL SUPPLY CHAINS.
- ❑ AS YOU ARE ALL **ELIGIBLE MEMBERS** OF THE TANZANIA SHIPPERS COUNCIL, WE ARE HUMBLLY REQUESTING YOU TO PICK THE ME
- ❑ MBERSHIP REGISTRATION FORMS, FILL THEM TO BECOME MEMBERS OF THE TANZANIA SHIPPERS COUNCIL.

“UNITED WE STAND – DIVIDED WE FALL”