ISCOS
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THE INTERGOVERNMENTAL STANDING COMMITTEE ON SHIPPING

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Uganda
Set to Cut Oil Transport
Costs with a New Depot

Kenya's New Oil
Terminal to Boost
Transit Market

EAC Member States
Eye Inland
Water Transport

PARTNERSHIP:
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DRC's Admission to EAC Bloc
Huge Boost to
Regional Trade

++ | TECHNOLOGY | BLUE ECONOMY | TRADE | INFRASTRUCTURE | ++


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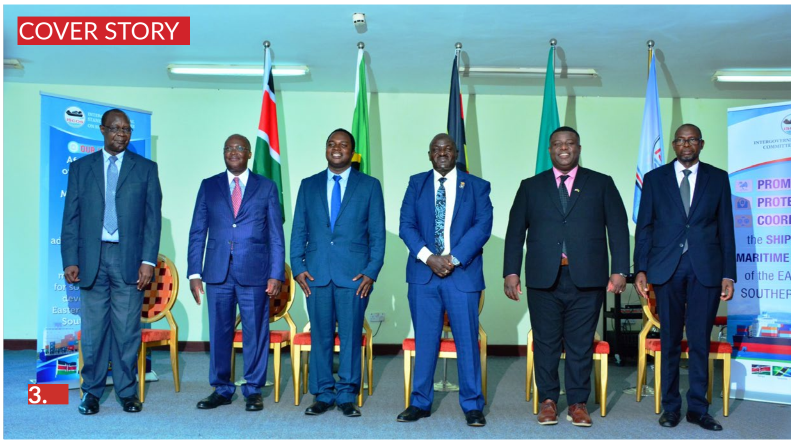

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Word From The

SECRETARY GENERAL

It is with great pleasure that I welcome you to the 5th edition of Shipping & Logistics, ISCOS's half-yearly magazine that keeps our readers abreast with the industry trends, developments, and news in the region and globally.

The first half of 2022 experienced a sense of recovery for the Maritime, Shipping and Logistics industry in the region after a long and turbulent period brought about by the COVID-19 pandemic. In a way, the outbreak has been a blessing in disguise as it led to the industry's aspirations for building resilient business to business and business to government systems that could ensure business continuity in times of such unprecedented troubles.

The pandemic disrupted businesses globally including that of ISCOS. However, even at the pick of the pandemic, ISCOS continued to operate mainly online and thereafter on hybrid basis (physical and online). A number of programs were held successfully including the 7th Assembly of Ministers meeting held in Entebbe, Uganda on the 10th of March 2022 that was attended by 12 Ministers and stakeholders from across the region, in which the ministers signed a resolution committing themselves to collaborate more on shipping and maritime affairs under the auspices of ISCOS. At the same event, two electronic platforms (the SHIPPLINC and e-Learning) designed to assist stakeholders in trade facilitation were officially launched and a new Chairman of the Assembly of Ministers elected.

I take this opportunity to congratulate Gen. Edward Katumba Wamala, Minister of Works and Transport, Republic of Uganda, for assuming the Chairmanship of the ISCOS Assembly of Ministers for the next two years from his Kenyan counterpart, Mr. James Macharia under whose leadership ISCOS realized tremendous development. I hope and trust that great strides will be made during his tenure especially in the area of collaboration and ISCOS membership amongst the Eastern, Central and South African states which is at the centre of his strategy. At the forum, the regional ministers also agreed to work together towards implementation of the revised African Maritime Charter (AMCT),2010, African Continental Free Trade Area (AfCFTA) and agenda 2063.

As we continue to push our agenda on collaborative rather than unilateral approaches in resolution of maritime transport and shipping challenges, ISCOS has throughout the pandemic provided platforms for industry stakeholders to consult each other and engage on matters affecting the whole chain such as the effects of COVID-19 pandemic, technological advancements in the industry, seafarers' training needs, fluctuating freight rates among others. These engagements bring together regulators, maritime training institutions, shippers, freight forwarders and shipping lines to build common approaches for the prosperity of the industry. Such platforms have seen key stakeholders like the shippers and shipping lines directly consulting and engaging on matters of interest.

In our push for greater collaboration in maritime transport and shipping practices and policies in the region, we celebrate and congratulate the Democratic Republic of Congo for officially joining the EAC as this presents another opportunity for the region to bolster its economies that could see reduction on imports from outside the region and increases in exports as regional members trade more amongst themselves and also make it easier for adoption of uniform maritime transport and shipping policies across the region that will further fasten the growth of the industry.

Shipping & Logistics' 5th edition magazine further highlights key infrastructural projects that Member States have or are putting in place to promote the shipping industry. The capacity and efficiency improvements in the Mombasa and Dar es Salaam ports, development of SGR projects in both Kenya and Tanzania are envisaged to go a long way in further improving the efficiencies of the Northern and Central corridors respectively as the two facilities will promote timely evacuation of cargo from the coastal ports by delivering it closer to its final destinations and hence cutting on time and costs associate with delays along the roads and other non-tariff barriers. Increased developments in inland waterway systems like petroleum jetties built in Uganda and Kenya, improvement of inland port facilities and acquisition of new and bigger floating capacities amongst all Member States are all expected to positively improve shipping across these inland waterways.

As I conclude, I sincerely appreciate all those who have contributed to this magazine by sharing knowledge, insights, and advertising support. I finally wish to take this opportunity to thank our Member States and key strategic partners for the support that has enabled ISCOS to produce this magazine and also deliver on our mandate.

Enjoy reading

Daniel M. Kiange,

Secretary-General,

INTERGOVERNMENTAL STANDING COMMITTEE ON SHIPPING

ISCOS

7th Assembly Highlights The Need For Greater Collaboration

Creation of a broader collaborative initiative to address the high cost of shipping in the region was one of the key areas of discussion during the Intergovernmental Standing Committee on Shipping (ISCOS) 7th Assembly of Minister held in Entebbe, Uganda, on 10th March 2022.

The meeting drew participants from 12 regional countries that explored ways of more collaboration on shipping and maritime affairs, which continent expects to aid in the success of the Africa Continental Free Trade Area (AfCFTA) rolled out on 1st January 2021.

In his opening remarks, ISCOS Secretary General Mr. Daniel Kiange noted that although 90 percent of the regional transport takes place in the sea, the ships are owned and operated by foreigners who repatriate most of the profits they make from the region. For instance, countries along the Indian Ocean stretching between Djibouti and South Africa spent US $22.2 billion on freight alone, Mr. Daniel Kiange told the meeting.

"We need regional policy initiatives and find ways of how to get a share of this huge pie," Kiange said.

Kenya's Minister for Transport, Infrastructure, Housing, Urban Development and Public Works, Mr. James Macharia noted that shipping and maritime affairs are very crucial to the East, Central and Southern Africa regions. However, the region does not have a common regional policy and the continent at large, therefore, is not in full control of the industry, leaving it open to exploitation by external players.

Low fleet ownership hampers Africa's participation in shipping, according to Mr. Macharia. This is lamentable considering the enormous volume of the goods moved by sea in the continent.

"We decided in the 6th Assembly held in 2019 to stretch more invitations beyond our four Member States of Kenya, Zambia, Uganda and Tanzania to find a broader collaborative initiative beyond this region," Mr. Macharia said.

To enable and guide the proposed growth in collaborative areas, the Assembly resolved to work closely with other states from East, Central and Southern African regions.

Formed in 1967, ISCOS has been offering consultative, advocacy and advisory services related to the shipping and maritime affairs to its members. ISCOS has since created a regional forum for maritime authorities from each Member State to discuss areas of common interest in relation to regulating shipping and maritime industry.

Other regional initiatives that are being done through ISCOS include bringing together various agencies and stakeholders dealing with maritime safety and security, regional stakeholders' trade facilitation along the inland waterways and continuous monitoring of emergencies, such as COVID-19.

"We have to ensure the accrual of economic benefits from these regional and other international alliances for the benefit of our people. This makes me duty bound to explain to the Zambian people the benefits that are derived from ISCOS as opposed to other organisations that we belong to," Hon. Frank Museba, the Minister for Transport and Logistics of the Republic of Zambia, told the Assembly.

He applauded ISCOS for the significant strides it has made in savings to the economies of member states through domiciling of Marine Cargo Insurance (MCI). This, he said, will save Member States the repatriation of the hard-earned United States dollars. Zambia, he estimated, will save about US $100 million per annum on imports alone.

ISCOS has also made interventions on Vessel Delay Surcharges (VDS) that shipping lines levies for long delays at the ports and other unjustifiable charges, use of the container guarantees instead of container deposits, capacity building of importers and exporters enabling them to expedite their businesses using the international trade terms..

"You appreciate that the more inefficient the seaports are, the more the cost to the land-linked countries like Zambia. Just like corruption, inefficiency is always a cost that is paid for by the consumers and the greatest adverse impact is felt by the poorest of our nationals," Mr. Museba said, appealing to ISCOS to superintend over the efficiency of seaports, where member countries' trade passes through.

Eight countries surround Zambia and depend on their goodwill for the smooth movement of its people, goods, and services. The country, he added, experiences a lot of tariff and Non-Tariff Barriers, especially along road transport corridors.

The international trade is moved by sea, handled by various multinational service providers, and subjected to policies, conditions and practices which each of the regional individual countries cannot effectively handle, according to Gen. Edward Katumba Wamala, Minister of Works and Transport, in the Republic of Uganda, who took over Chairmanship of the Assembly of Ministers from his Kenya's counterpart.

"I wish us to honour the wisdom and foresightedness of the founding fathers of ISCOS, Mzee Milton Obote of Uganda, Jomo Kenyatta of Kenya, Julius Nyerere of Tanzania and Kenneth Kaunda of Zambia," Gen. Katumba said, adding that as early as 1967, these gallant sons of Africa knew that Shipping and Maritime matters are cross border, international, complex, and capital intensive, and the need to form ISCOS to protect, promote and coordinate their shipping and maritime interests.

The best way to benefit from global networks and partnerships is not by receiving handouts and donations from our overseas colleagues, but through international trade and commerce. As developing nations, shipping and maritime transport can no longer be peripheral to our economies.

Uganda, being a land linked state, largely relies on the ports of Mombasa in Kenya and Dar es Salaam in Tanzania as the major gateways for her exports and imports with no direct interface with the multinational service providers like shipping lines.

"Like many states in the region and indeed in Africa, Uganda does not own ships operating on the high seas, neither does it have direct access to the operations there, yet our international trade largely moves by sea," Katumba said.~

States represented in the ISCOS 7th Assembly

- Republic Of Burundi
- Democratic Republic Of Congo
- Federal Government Of The Republic Of Ethiopia
- Republic Of Kenya
- Republic Of Malawi
- Republic Of Mauritius
- Republic Of Mozambique
- Republic Of Seychelles
- Republic Of South Sudan
- United Republic Of Tanzania
- Republic Of Uganda
- Republic Of Zambia

Shipping Stakeholders Make RESOLUTIONS TO EASE TRADE

Shipping and maritime sector stakeholders from Kenya, Tanzania, Uganda and Zambia in a consultative meeting with the Shipping Lines serving Eastern and Southern Africa agreed on a raft of measures to reduce the cost of shipping.

The meeting also agreed on a collaborative approach that will improve efficiency and reduce the cost of doing business along the entire logistics chain to the benefit of the end-user.

The team considered digitization as a key ingredient in the industry in the future, considering how the COVID-19 pandemic caught the shipping industry unawares and unprepared for the disruptions that had far-reaching consequences with a bleeding global economy.

Convened by the Intergovernmental Standing Committee on Shipping (ISCOS), the meeting brought together shipping lines, maritime administrations, shippers' councils, Freight Forwarders Associations, Revenue Authorities, port authorities and operators.

ISCOS convened the meeting in Nairobi between the 9th and 10th of June 2022 that was officially opened by Amb. Dr. Nancy W. Karigithu, CBS, Principal Secretary of State Department of Shipping and Maritime and Special Envoy for Maritime and Blue Economy.

A critical concern that was raised by freight forwarders was that there were various surcharges that shipping lines had introduced to cater for some shocks that were occasioned by COVID-19, which, though have since subsided, the fees still prevailed. This affected the Mombasa port.

The convening stakeholders agreed on the need for a collaborative approach for regional stakeholders in addressing matters of shipping and freight logistics, with ISCOS mandated to continue providing a consultative platform and coordinating stakeholders' discussions, which is critical in sharing emerging concerns that affect the industry.

The meeting also agreed to promote an inclusive and active dialogue between private and government players through regular regional forums.

"This would ably aid better planning for required capacities by government agencies and expecting infrastructure needs and timely matching projected demand by private players," the resolutions partly read.

The meeting tasked ISCOS with the responsibility of lobbying the governments to continue investing and improving the capacity and efficiency of seaports and hinterland connectivity considering the projected volumes of seaborne trade and the growing size of vessels, which is emerging as a global trend.

The team considered digitization as a key ingredient in the industry in the future, considering how the COVID-19 pandemic caught the shipping industry unawares and unprepared for the disruptions that had far-reaching consequences with a bleeding global economy.

"Stakeholder institutions in shipping logistics chain should embrace digitalization and automation of shipping services and invest in more resilient technology to build resilience and ensure efficient maritime supply chain operations," the resolutions, which were signed by all taking part institutions, read.

A Regional Maritime Policy which should define how the various players in the industry interface and relate in terms of policies, practices, rights, obligations, and duties was proposed.

National and intergovernmental agencies responsible for competition and fair-trade practices were asked to critically study the possibilities of vertical integrations between industry players to facilitate efficiency gains and protect the local small and medium businesses in the shipping and logistics chain.

The meeting noted that there were shipping disparities in policies and practices between the ports of Mombasa and Dar es Salaam, and other seaports in the region, and asked ISCOS to study and advise on how they can be harmonized.

A sustainable and resilient shipping industry requires a collaborative approach coordinated by institutions such as ISCOS to resolve emerging issues which must be supported by carriers, ports, inland transport providers, customs, and shippers, the meeting noted.

The meeting asked the stakeholders in the government to pursue a collaborative approach for trade facilitation to promote the ease of doing business by developing new systems with the participation of stakeholders.

Stakeholder institutions agreed to jointly lobby responsible Government Ministries, departments and agencies, and other players to improve the efficiency of surface logistics into the hinterlands by mitigating identified Non-Tariff Barriers (NTBs) blamed for high cost and poor turnaround times.

This would mean the construction of new infrastructure such as Standard Gauge Railway (SGR), Inland Container Depots (ICD), and inland waterway ports, among others.

A Regional Maritime Policy which should define how the various players in the industry interface and relate in terms of policies, practices, rights, obligations, and duties was proposed.

The meeting tasked ISCOS in partnership with other stakeholders such as Shippers Councils, Freight Forwarders, and Shipping Lines with the responsibility of conducting sustained sensitization and awareness programs aimed at educating industry stakeholders on their roles, responsibilities and obligations in the shipping, supply, and logistics chain encouraging more self-regulation.

In her keynote address, Amb. Dr. Karigithu emphasized the need for close collaboration of the industry stakeholders for the growth of the shipping industry, condemning the habit of working in silos among the agencies.

"You know that shipping is dynamic and as a region, we share various aspects in the Maritime sector which include: the Indian Ocean as our Maritime passage for International Trade; eastern coast of the Indian Ocean, which connects several states via sea; seaports which serve as Maritime gateways to the Region; and Maritime carriers who transport our cargo to and from overseas," Karigithu told the forum.

She commended Intergovernmental Standing Committee on Shipping (ISCOS) for organising the forum. ~

Green Energy Required to make Carbon Free fuels for shipping would require all of the world's current production of renewables.

The conclusion is a cause for concern since many experts point out that shipping will fall behind many other energy-intensive sectors as the decarbonisation drive gathers pace.

This was one of the conclusions of a report commissioned by the International Chamber of Shipping and written by Professor Dr Stefan Ulreich of the University of Applied Sciences Biberach, Germany. The report entitled 'Fuelling the Fourth Propulsion Revolution' was released on 17th May 2022 at the World Ports Conference in Vancouver, Canada.

It calls for higher spending on research and development into green fuels, and the development of production infrastructure in locations including Latin America and Africa where net-zero fuel production costs are expected to be 20% lower than regions to the north.

In the course of his research, Dr Ulreich found that to meet shipping's 2050 net-zero goal, marine fuels would need up to 3,000 TWh of electricity from renewable sources. This would soak up the world's entire current supply of renewable energy production. He also revealed that to achieve the IEA's Net Zero Emissions by mid-century would require an 18-fold increase in existing renewable production capacity.

By that time, at least half of the net-zero fuels traded globally are likely to be shipped by sea, according to the International Renewable Energy Agency. Therefore shipping will be key enabler of the land-based decarbonisation process, the report notes.

Source: Seatrade Maritime News

ISCOS Member States
EYE INLAND WATERWAYS

Intergovernmental Standing Committee on Shipping (ISCOS) states have sped up the development of inland water transport infrastructure in order to link Uganda, Tanzania and Kenya to both the Northern and Central transport corridors.

The three countries want ports and maritime operations on shared waters in Lake Victoria connected to enhance integration and grow trade by offering cheaper transport across borders.

Tanzania has a plan to modernise the said ports in the short and medium term. The port of Mwanza is also planned to be connected with SGR from Dar whose construction is well underway,

The three countries want ports and maritime operations on shared waters in Lake Victoria connected to enhance integration and grow trade by offering cheaper transport across borders.

while Kenya rehabilitated the Kisumu port in 2018 and also completed its dredging in 2021.

Although it is taking a slow pace, Uganda is seeking to develop Bukasa port on Lake Victoria, with procurement for dredging underway. Bukasa port is part of the EAC Inland Waterway Transport Infrastructure Development Project.

According to Kenya's government Spokesman Col (Rtd) Cyrus Oguna, the Kisumu port, which lay idle for nearly three decades, has been linked to the port of Mombasa through good road infrastructure and the revamped Nakuru-Kisumu Meter Gauge Railway line (MGR).

Goods ferried through the Standard Gauge Railway(SGR) from Mombasa to Naivasha will be transported to Kisumu port through the revamped MGR line for onward shipment to various destinations through Lake Victoria.

The Kenyan government has connected the SGR to the MGR at the Naivasha Inland Container Deport, allowing a seamless flow of cargo from the Port of Mombasa to Kisumu.

Kisumu, according to Col Oguna, was a preferred route given its proximity to Uganda and Tanzania through Lake Victoria, reducing the number of hours taken to transport goods from Mombasa to the various destinations in the two countries.

According to Kisumu Port General Manager Captain William Ruto, the facility has witnessed tremendous growth with cargo handling up from 3, 000 metric tonnes in 2019 to 54,000 metric tonnes in 2021.

Two ships from Uganda will join the other two from Kenya, MV Uhuru II and MV Uhuru, which was refurbished in 2019 by the Kenya Railways (KR) and Kenya Defence Forces (KDF), after being grounded for 15 years.

Engineers, welders, and other experts from Kenya Shipyard Ltd are putting together the 1,800 tonnes capacity vessel- MV Uhuru II in Kisumu.

To tap into the petroleum products transportation business, Kenya

Two ships from Uganda will join the other two from Kenya, MV Uhuru II and MV Uhuru, which was refurbished in 2019 by the Kenya Railways (KR) and Kenya Defence Forces (KDF), after being grounded for 15 years.

Railways constructed a 1.8 km railway line to the Kenya Pipeline Corporation (KPC) depot in Kisumu.

According to KR, MV Uhuru can make 10 round trips in a month between Kisumu Port and Port Bell in Uganda with the capacity to carry 22 tank wagons. It takes 13 hours from Kisumu to Jinja and 17 hours from Kisumu to Port Bell making this the fastest means to transport the commodity to neighbouring Uganda.

The planned increase in the number of vessels now means a higher maritime capacity in the lake, which has a catchment area covering 193,000 square kilometres in Kenya, Uganda and Tanzania, as well as parts of Rwanda and Burundi.

Uganda, as a developing maritime nation, continues to build its capacity in the maritime sector. The government, through the Ministry of Works and Transport, embarked on reviewing all maritime legislation which gave birth to a new law, the Inland Water Transport Act, 2021.

"We are also currently developing a tri-modal port, the new Kampala Port at Bukasa, which is intended to be the main gateway for all regional imports and exports through Lake Victoria," Gen Edward Katumba, Minister for Works and Transport in Uganda said when he addressed 7th Intergovernmental Standing Committee on Shipping (ISCOS) in Uganda on 10th March 2022. He took over its chairmanship from Kenya.

In addition, he said, the government will remodel the existing ports of Jinja and Port Bell to be fishing and passenger ports, respectively. Further, designs have been concluded for the development of selected landing sites on Lake Victoria which are envisioned to improve cabotage on the Lake.

"With the increasing need for collaboration as enshrined in the SDG 17 and the African Agenda 2063; as Nile Basin Countries, we are closely studying the possibility of establishing a Navigational Line between Lake Victoria and the Mediterranean Sea through a project Victoria and Mediterranean (VICMED) which is under Feasibility Study Phase 2," Gen. Katumba told the Assembly's participants.

This will bring many possibilities for the communities in the Nile Basin to exploit the Blue economy. In the same spirit, Uganda is developing the Ntoroko One-Stop Border Post, which will include a modern jetty that will open up the Uganda–DRC maritime route, drastically cutting travel times and further facilitating more trade between the two nations.

"In addition, Uganda is developing a fuel depot on the Lake at Kawuku, off Entebbe road, with a holding capacity of 70 million litres and is building four oil tankers to transport fuel from Kisumu Port," Gen. Katumba said.

Stakeholders expect that this will relieve pressure from the Northern Corridor and will improve petroleum distribution within Uganda and also to hinterland countries like Rwanda, Burundi, DRC and South Sudan.

Gen. Katumba challenged ISCOS to continue popularizing Maritime Transport and assist the region in changing the mindset of the shippers, which seems to be stuck with road transport even when water transport is really much cheaper.

"Therefore, joint efforts among adjoining states are required in harnessing the blue economy equitably and sustainably. For example, transport on Lake Victoria will flourish if, Tanzania, Uganda, and Kenya inland ports are concurrently developed and maintained to handle the same vessels at the same level of efficiency because inefficiency on one port will negatively affect other ports," Prof. Makame Mnyaa Mbarawa, the Minister for Works and Transport in the United Republic of Tanzania, in a speech read on his behalf by his

Interview with ISCOS Chairman GEN. EDWARD KATUMBA WAMALA

In this one-on-one interview, Gen. Edward Katumba Wamala spoke to the Shipping & Logistics about his vision for ISCOS after he was elected its Chairman for a two years term during the 7th Assembly of Ministers held on 10th March 2022 in Entebbe, Uganda.

Gen. Katumba, ISCOS has created a platform for regional maritime training institutions to cooperate and train for world jobs. You have assumed the Chair of the ISCOS Assembly of Ministers. What does this mean to Uganda, and to ISCOS?

Much as it was our turn to Chair the organisation's organs for the next two years, we consider this opportunity a vote of confidence by our fellow Members that Uganda will do a great job. To ISCOS, this means continuity in pushing for the core mandates that informed ISCOS' creation and a push to expand our membership beyond the current four in line with ISCOS Strategic Plan.

What have you planned to achieve in your first year in office?

I intend to push for the further strengthening of the organisation by reviewing and updating existing operational systems, procedures, and manuals to be up to date with the prevailing circumstances in the region and the world.

You take over when ISCOS has an approved five-year strategic plan (2021/22-2025/26), what areas do you consider of great priority for ISCOS during your tenure of office?

With the ever-increasing need for more cooperation on matters of mutual interest like maritime transport and shipping, expansion of our current membership will be very key on my agenda especially within the East and South African regions. In the face of operationalization of the African Continental Free Trade Area (AfCFTA) and the Revised African Maritime Transport Charter, 2010, I hope to position ISCOS as an instrumental player in the maritime and shipping industry to ably contribute to the realisation of the AfCFTA goals and the broader African Agenda 2063.

There has been consensus amongst member states on the need to expand the organization to other states in the Eastern, Central and Southern Africa to deal with common and complex challenges facing the three regions. What immediate measures is ISCOS expected to take to have this actualised?

First off, at the recently concluded Assembly of Ministers held in Entebbe, Uganda on the 10th of March 2022, all attending ministers and delegates unanimously resolved to actualise this long overdue aspiration. As an intergovernmental agency, there are modalities that prospective Member States ought to fulfil prior to their admission. I am therefore closely working with the Secretariat to help prospective members fulfil all requisite modalities for their membership to ISCOS.

How many full members do you target to bring in during your tenure?

Our target is to add at least four new full members to ISCOS by the end of the strategic plan period of 2025/26. This I highly believe will be achieved with the kind of support structures and dedicated team I have in place at the Secretariat.

What challenges do you expect in your journey into achieving this no mean feat and how will you circumvent these challenges?

The world is now a global village extremely interconnected and interdependent. As such, any eventualities, uncertainties or unrests in one part of the world directly affects us. A case in point is the war in Ukraine which has impacted global economies with each industry being affected including the maritime and shipping which provides the wheels for global trade. Pandemics such as the COVID-19, also have the potential to impact our plans. Therefore, we are building business sustainability frameworks to ensure continuity during such external forces that we cannot predict or avoid.

One of the main challenges to trade facilitation in the world is Non-Tariff Barriers (NTBs). What Non-Tariff Barriers is the region still facing and why have they persisted? How do you intend to deal with them and what are your low-hanging fruits?

Shipping and maritime transport is a complex endeavour involving many players across the globe. For instance, the threat of piracy and safety of cargo in our regional waterways is still there leading to high insurance premiums, sometimes there is congestion at our ports while our transit transport corridors are still not yet seamless/ as fluid as expected leading to high costs of transport.

As ISCOS, we are working in collaboration with all key players in the industry at both local and regional levels to address these challenges.

Among the low hanging fruits we are targeting is sensitization of stakeholders on the need to put in place systems that ensure efficiency and effectiveness in our shipping and transport logistics as well as use of ICT in our operations.

Human capacity in the shipping industry has been one of the biggest challenges in unlocking this sleeping giant over many years. What are your plans for promoting maritime training and education and what are the long-term solutions to this problem in the wake of advancing technology?

The current global seafarer supply – demand situation suggests that there is a seafarer shortage of approximately 16,500 officers and around 119,000 ratings to be able to fill the estimated demand of 1,545,000 seafarers which is growing at a rate of 24% each year.

At the regional level, our capacity is still wanting. We have a few institutions such as Bandari Maritime Academy in Kenya, Dar es Salaam Maritime Institute in URT, Busitema University in Uganda and others offering some shipping and maritime trainings. However, for a long time, these institutions have been operating in silos with no harmonised curriculums or platforms to share experiences. ISCOS has created a platform for these institutions to start talking to each other and harmonise their curriculums and cooperate in training for the world market.

During my tenure, it is my plan that ISCOS creates a sustainable connection between the training institutions and the job markets by linking trained seafarers to the global job market.

ISCOS has played and continues to play a key role in domiciling Marine Cargo Insurance (MCI) amongst its Member States. The roll out of mandatory MCI in the region has however been slow. What explains this and what plans do you have to change the status quo?

The domestication of MCI is targeted to save the region over $500million each year in foreign exchange. Its mandatory implementation however takes a multi-agency approach which in many cases requires the realignment of the legal frameworks of participating agencies. This is the process ISCOS is closely following amongst all Member States. I am happy to report that very good progress has been achieved in the region. For instance, in Uganda effective 1st July 2022, it will be mandatory for all cargo being imported to the country to have local MCI from insurance companies registered in Uganda. Zambia is equally in the process to implement local MCI while Kenya and Tanzania have already rolled out the program with few challenges which are being addressed.

And finally, where do you want to leave ISCOS at the end of your tenure?

With the prevailing support I enjoy from my colleagues and other organs of ISCOS, my wish is to handover the chairmanship with ISCOS in a better and stronger position than I found it. That would be everyone's wish.

Maersk Makes Foray Into
END TO END SERVICES

A.P. Moller – Maersk, the largest shipping line calling at the East African regional ports has in the recent past increasingly bolstered its land side transportation service portfolio focusing on end to end provision of services to win more customers.

While the ocean market in the East African region declined by 2 percent due to a shift of assets by some liners to other more lucrative routes in the wake of COVID- 19 pandemic, Maersk grew its market share by 2 percent owing to its resilience and commitment to a region it has had presence in since 1963, Mr. Carl Lorenz, the Maersk East Africa Line Managing Director said.

Danish-based A.P Moller has been on a transformational journey over the last 4-5 years. Its objective is moving towards a global integrator of container logistics, to providing its customers with an end-to-end product serving their supply chain needs,

Danish-based A.P Moller has been on a transformational journey over the last 4-5 years. Its objective is moving towards a global integrator of container logistics, to providing its customers with an end-to-end product serving their supply chain needs, Marko Mihajić, Senior Press Officer, A.P. Moller – Maersk in Denmark said in an email interview.

"We have made significant capital and human resource investments for our customers in the East African area. Investments have also been made in warehouses, container yards, and cold chain," Mihajić added.

According to Lorenz, customers are increasingly becoming kin to partner with the service providers for long term relationship for the benefits that accrue to both partners.

"They have realized that in case of any disruption in the supply chain, delays occurs at the points of hand over," Lorenz said, adding that rather than handling the ocean services alone, Maersk has been talking to its customers to know their pain points along the logistics chain with a view of offering solutions.

This, according to Mihajić, is also in line with what Maersk customers expect and what they have been telling the firm – they need more than just ocean shipping and they want fewer providers of logistics services involved, so that they can streamline their supply chain and have fewer touch points, to allow them to focus on their own business and not the logistics of it.

In Kenya, for instance, refrigeration market is offering a solution all the way from the farms in case of horticulture, providing packaging, refrigeration, transport, clearing, sea carriage and delivery to the final destinations in Europe or elsewhere. Maersk commands 34 percent of total cargo volume at Mombasa port

Maersk first revealed its strategy to become an "integrator" in container logistics in 2016 — integrator being the term for firms such as UPS, FedEx, or DHL

In Kenya, for instance, refrigeration market is offering a solution all the way from the farms in case of horticulture, providing packaging, refrigeration, transport, clearing, sea carriage and delivery to the final destinations in Europe or elsewhere.

that control planes, trucks, and warehouses, offering end-to-end services.

This was after the shipping industry had a bad year in the world's major container shipping lines that made estimated collective operating losses of $3.5 billion in 2016, their first annual deficit since 2011, according to shipping analyst Drewry.

Going back to the early days of container shipping and inspired by the radical nature of the container as a conveyance for cargo, operators saw the promise of creating value along the entire end-to-end supply chain journey.

Recently, the environment in which container shipping operates has been changing over the past five years. The changes came to the industry itself, following consolidation among carriers that reduced the number of major east-west carriers by half since 2016, the digital revolution gaining pace, and the formation of alliances able to effectively manage capacity.

The latter was seen in dramatic fashion just over a year ago when carriers rapidly sidelined capacity as Western nations went into lockdown, responding to a drop in demand faster than they ever had before.

In parallel came a changing external environment in which the compound effect of longshore labor actions, trade wars, and financial crises meant that supply chain disruption went from being an outlier to being the norm.

As that happened, the idea of an integrator in the container supply chain in which assets are placed in the service of the customer, began to make more sense.

The business unit's scope for Maersk in the East Africa region comprises Kenya, with the regional headquarters in Nairobi, Uganda, Tanzania, Rwanda, Burundi and South Sudan, extending to the eastern DRC and also serving customer as far away as Zambia and Malawi. A.P Moller has also partnered with Grindrod Limited for a presence in South Africa.

The proposed venture saw the logistics activities of Grindrod Intermodal business and the ocean activities of Ocean Africa Container Lines (OACL) complement Maersk's current Ocean capabilities and Logistics & Services, enabling customers' seamless access to a wider range of end-to-end supply chain solutions.

With over 100 years of experience, the Grindrod Group is a well-known and trusted partner in South Africa. Maersk has to build on the foundation of Grindrod to expand its offerings to customers in the region.

"We are looking forward to partnering with Grindrod in this proposed joint venture, so that we can offer our customers even better value and true end-to-end integrated logistics solutions in South Africa," Jonathan Horn, Maersk Southern Africa and Islands Area Managing Director said

"Grindrod has been working with Maersk for many years in an area that both organizations are passionate about, understanding our customers' requirements and finding cost-efficient routes to market," Xolani Mbambo CEO Grindrod Freight Services was quoted by press. ~

With over 100 years of experience, the Grindrod Group is a well-known and trusted partner in South Africa.

DRC's Admission to EAC Bloc huge
BOOST TO REGIONAL TRADE

The Democratic Republic of Congo (DRC) joined the East African Community (EAC) becoming its 7th Partner State. The Summit of EAC Heads of State at their 19th Ordinary Summit held on 29th March 2022 admitted the DRC following a recommendation by the Council of Ministers. The DRC formally joined the bloc after the signing of the Treaty of the Accession in Nairobi, Kenya on 8th April 2022.

DRC completed internal processes of ratifying the EAC Treaty it signed in June 2022. The other members of EAC include Burundi, Kenya, Rwanda, South Sudan, Tanzania and Uganda. Kinshasa applied for membership in 2019 and its admission means the bloc accounts for a population of 300 million people and a GDP of around 250 billion dollars.

Uganda and the DRC have three road projects. The first road will run from Kasindi to Beni (80km) and the second will integrate the Beni-Butebo axis (54km). The third will stretch for 89 kilometres from the border town of Bunagana, through Rutshuru to Goma.

DRC has vast mineral wealth, including diamonds, gold, copper, cobalt and other resources. The entry of DRC now stretches the EAC block from the Indian Ocean in the East to the Atlantic in the west. It has created the potential to open the Indian Ocean to the Atlantic Trade Corridor and link the region to Central Africa, North Africa, and other continental sub-regions.

In return, the DRC will benefit from the EAC Common Market and Customs frameworks, with easier and seamless access to the markets and seaports of Kenya and Tanzania at cheaper rates.

According to the East African Business Council (EABC), EAC's exports to the DRC have averaged 13.5 percent in the last seven years to 2020. In 2018, the value of imported goods into the DRC stood at $7.4 billion against exports of $855.4 million. "Following this milestone, the trade will increase immensely, as the DRC shares its borders with five EAC partner states. We call for the improvement of regional infrastructure connectivity plus implementing EAC commitments to unlock trade opportunities," said the council's CEO John Bosco Kalisa.

The consumer market DRC has created will not only boost investments in Congo but will also act as a direct market and investment hub for regional companies that are eyeing expansion. Kenya Export Promotion and Branding Agency, (KEPROBA), the leading export promotion institution in the country has previously undertaken market research in the vast DRC whose findings disclosed the need to venture and explore further in this vast market and open up links for the development of trade

Tanzania is seeking to raise the volume of cargo destined to and from the DRC by 58% in the next two years.

between the two countries and by extension the greater lakes regions.

Kenya, through the Kenya -DRC trade mission that took place in November-December 2021, where over 300 delegates drawn from both public and private sectors of Kenya visited the cities of Kinshasa, Lubumbashi, Goma and Mbuji Mayi, is a clear demonstration of how much the well-orchestrated economic diplomacy spearhead by Kenya's and DRC governments is shaping up the expansion of the regional market and trade development between the great lakes regional countries.

Kenya is a fast-growing economy with an equally fast-growing population that is currently dominated by a youthful and well-educated population that remains threatened and frustrated over the ever-diminishing employment opportunities. One remedy to help unravel the situation is to look beyond its political boundaries and take advantage of the opportunities that prevail.

Visa and Duty-free movement of people, goods, and services will also aid Small and Medium Enterprises to penetrate the EAC market without limitations, a move that will not only create employment opportunities for youth and women-led enterprises but also spur the growth of local industries. The services sector in Kenya will also benefit from DRC admission. Some Kenyan companies that have expressed interest in the DRC markets are Equity Bank, Jubilee Insurance, and Kenya Commercial Bank. Equity bank is aiming at exploiting the youth-rich population of DRC by providing banking services and financing the clean energy and mineral sectors in DRC.

In a story published by a Kenyan-based paper, The EastAfrican of April 2nd, 2022, Mr. Reagan Mugume of the Economic Policy Research Centre, based at Makerere University Business School, noted that Uganda and Rwanda are the best positioned to take advantage of opportunities presented by DRC because of their geographical proximity and previous trade relations with the country.

Uganda and the DRC have three road projects. The first road will run from Kasindi to Beni (80km) and the second will integrate the Beni-Butebo axis (54km). The third will stretch for 89 kilometres from the border town of Bunagana, through Rutshuru to Goma. Gen. Edward Katumba Wamala, who serves as the Minister of Works and Transport inthe Ugandan Cabinet, handed over the construction sites to Dott Services on December 4, 2021, in the DRC cities of Beni and Goma.

In June 2021, Rwandan President Paul Kagame and President Tshisekedi signed bilateral deals after two days of the meeting. The deals signed included the promotion and protection of investments, taxation and tax evasion, and a memorandum of gold mining cooperation.Rwanda is also banking on the second border post with the DRC to seal trade gaps after years of political tensions paralyzed activities at similar facilities at the borders with Uganda and Burundi.

Tanzania has to exploit the land-linked country's direct route to the sea through the Central Corridor. Mr. Josephat Rweyemamu, the chairman of the East African Confederation of Informal Sector Organisations, said DRC entry would boost trade in the region.

Tanzania is seeking to raise the volume of cargo destined to and from the DRC by 58% in the next two years. Tanzania Ports Authority (TPA) plans to increase freight volumes passing through the Dar es Salaam Port to and from DRC from the 1.9 million tonnes recorded in 2020/21 to three million after the next two years. TPA Director-General Mr. Eric Hamissi made the revelation at the Katanga Province in DRC on November 23rd, 2021 when he led a delegation of Tanzania officials visiting transporters and clearing agents using the Dar es Salaam Port for cargo importation and exportation.

Speaking to Katanga stakeholders, Mr. Hamissi said the ongoing investment in infrastructure, equipment, and technology development at the Dar es Salaam Port has increased the annual cargo handling to 30 million tonnes from 17 million tonnes. The DRC is a member of the African Union, Southern African Development Community (SADC), Common Market for Eastern and Southern Africa (COMESA), Economic Community of Central African States, Organization for the Harmonization of African Business Law, and the Economic Community of the Great Lakes Countries. The EAC will seek to wrestle the DRC from South Africa and Zambia, both members of the Southern African Development Community (SADC), which dominates the export market to Congo, raking in a combined $2 billion in exports in 2020.

The top 5 export markets in 2020 for DRC were China at $5.79B, Tanzania at $1.67B, Zambia at $1.24B, South Africa at $1.09B, and Singapore at $1.02B. For imports, China dominated the scene again at $1.69, followed by the United States at $1.42B, South Africa at $611.68M, Zambia at $326.09M, and India at $315.23M. ~

The DRC is a member of the African Union, Southern African Development Community (SADC), Common Market for Eastern and Southern Africa (COMESA), Economic Community of Central African States, Organization for the Harmonization of African Business Law, and the Economic Community of the Great Lakes Countries.

The 4th Oceans Forum Assess Trade RELATED SDG 14 PROGRESS

The 4th Oceans Forum on trade-related aspects of Sustainable Development Goal 14 held in Switzerland, Geneva, between 6th- 8th April 2022 strongly advocated for more areas of collaboration between the states to unlock the marine-related resources.

The value of the ocean economy - as tradeable ocean goods and services–represents at least 2.5 trillion dollars per year. The value of ocean assets, such as marine resources and marine ecosystems services, some of which the world has not established markets yet, is estimated to be at least 24 trillion dollars, the conference heard.

Ms. Issa further underscored the need to prepare for a resilient and sustainable maritime supply chain by building an economic system that sustainably reduces and compensates the emissions of carbon dioxide (CO_2).

In 2021 UNCTAD developed the first-ever classification of ocean-based goods and services. This was in response to its realization that there was a knowledge gap on the same. The classification serves as a blueprint for better quantifying and understanding the value, flows, and contribution of trade to the ocean economy.

Addressing the participants, United Nations Conference on Trade and Development (UNCTAD) Secretary-General Rebeca Grynspan said that there was a need to make progress in the negotiations toward the adoption of a United Nations convention on biodiversity beyond national jurisdiction.

"We must agree on an internationally legally binding instrument to end plastic pollution, including in the marine environment and we need to generate consensus on a Food and Agriculture Organization (FAO) guidance on social sustainability for fisheries and aquaculture value chains," Grynspan said in her opening remarks.

She noted that there is a need to fill governance gaps in conservation, sustainable use, responsible trade, and investment as means of helping the ocean regain its health.

The Intergovernmental Standing Committee on Shipping (ISCOS) was represented by Mwanaulu Issa Mwajita, Director of Trade Facilitation and Policy Harmonization, where she served as a panelist. Ms. Issa presented on the topic of sustainable maritime supply chains where she emphasized on the need for digitization of shipping processes through Maritime Single Window Systems.

Ms. Issa further underscored the need to prepare for a resilient and sustainable maritime supply chain by building an economic system that sustainably reduces and compensates the emissions of carbon dioxide (CO_2).

On infrastructure finance, she pointed out that, there is an urgent need to accelerate action on adaptation and resilience-building for seaports, in Small Islands

Development States (SIDS) and other coastal developing countries, and to provide the required support in terms of capacity-building and finance.

Much emphasis was placed on the need to embrace digitalization and automation of shipping and port operations for transparency and data sharing in order to build resilience and ensure efficient maritime supply chain operations.

Contactless e-payment systems and automation technologies were noted as some of the initiatives that can make monitoring, control, and surveillance of economic activities in the ocean more efficient and effective.

Decrying the low funding that goes to the marine industry, from 2013 to 2019, only 1.6 percent of total Official Development Assistance was going to the ocean economy. Only half of that amount was dedicated to fostering sustainability.

This is far from what is needed. Yet, investing in the ocean would have high payoffs. A study commissioned by the High-level Panel for a Sustainable Ocean Economy estimates that if we invested 2.8 trillion dollars in four sustainable solutions - conserve and restore mangroves, enable sustainable food production, decarbonize international shipping, and boost offshore wind production - it would yield net benefits of 15.5 trillion dollars by 2050. This is over five times the initial investment,

Pressure on the ocean and marine resources has increased significantly because of overfishing, pollution, and climate change. And there is a need to act now to address these problems according to Secretary-General of the Organisation of African, Caribbean and Pacific States (OACPS) His Excellency Georges Rebelo Pinto Chikoti, in a speech read on his behalf by Mr. Felix Maonera, Head of the OACPS Geneva Office. "It is in this context that one would have expected that by now we would celebrate an agreement on fisheries subsidies negotiations at the WTO in line with one of our recommendations at the 3rd Oceans Forum held in 2019," he said.

Added he; "A big part of what we seek to achieve in the Oceans Forum is, of course, linked to a successful outcome in the WTO negotiations and the world remains hopeful that members engaged in the WTO negotiations will agree soon."

For the members and regions of the OACPS, fisheries and aquaculture remain important ocean economy sectors. These sectors play a crucial and valuable role in underpinning the food and nutritional security, employment, export trade and livelihoods of 64 coastal States - 38 of which are Small Island Developing States (SIDS)."With 2022 having been designated the "International Year of Artisanal Fisheries and Aquaculture", we are presented with an opportunity to raise awareness and catalyze commitments to shape policies, plans, and, above all, deliver concrete actions to create a better future for small-scale fisheries at community, national, regional, and intra-regional levels," Chikoti said.

The Covid-19 pandemic has had a significant negative impact on the fishing industry, with significant disruptions in fisheries activities, decreased production, lost business opportunities, existing markets under threat, and declining revenues.

The negative impact of the Covid-19 pandemic has been well documented. For OACPS, lessons learned include the importance of services that enable online supply, beyond just telecommunications and computer services, to the broader infrastructural role of financial, transport, distribution, and logistics services in facilitating trade and economic growth; the need to bridge the digital divide and that countries can quickly resort to restrictive measures that have a negative impact on the multilateral trading system.

Other lessons include the importance of greater global cooperation in the production and distribution of essential products; and that the economies of developing countries remain extremely vulnerable to shocks, requiring the building of greater preparedness and resilience.

In June, the 12th WTO Ministerial Conference will take place in Geneva and members are very close to agreeing on fisheries subsidies. The goal is to eliminate subsidies for illegal, unreported, and unregulated (IUU) fishing and prohibit certain forms of fisheries subsidies that contribute to overcapacity and overfishing, with special and differential treatment for developing and least developed countries.

FAO has been providing technical support to the WTO negotiation process whenever requested by WTO or individual countries. This technical support basically addresses the three "fish pillars" of the negotiation process: IUU fishing, overfishing, and over-fished stocks, and overcapacity, according to Mr. Dominique Burgeon, Director, FAO Liaison Office to the United Nations in Geneva.

Economic market failures such as harmful fisheries subsidies and unnecessary non-tariff barriers, non-compliance with basic social parameters, and asymmetries in information dissemination create problems in allowing for a proper appropriation of benefits to all participants in the fisheries value chain, he added.

Millions of people depend on the sector as a source of employment, income, and livelihood. In 2018, over 59 million people were involved in the primary sector of fisheries and aquaculture activities.

"At the request of its Members, FAO is developing a pragmatic guidance for the private sector in order to facilitate compliance with existent instruments involving social responsibility in the fisheries and aquaculture value chains," Burgeon said.

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Uganda Set to Cut Oil Transport COSTS WITH A NEW DEPOT

Uganda's daily consumption of fuel stands at about 7 million litres per day and is estimated to grow by about 5% annually as reported by the Ministry of Energy and Mineral Development. This was attributed to economic growth in the major consuming sectors of logistics and transport, industry and manufacturing.

Without any local refinery facilities, Uganda imports all its fuel through the coastal neighbours Kenya (about 95%) and Tanzania (about 5%) and most of it transported into the country by road with small quantities particularly of Diesel transport by water transport through Lake Victoria.

This is soon changing with the development of a fuel handling complex at Bugiri-Bukasa village, off Entebbe Road at Kawuku (approximately 35km south of Kampala) by Mahathi Infra Uganda Limited. Some of the other partners in the company include Siginon Group of Kenya and Fortune Energy of Uganda.

The facility has a fuel depot with 14 holding tanks of total capacity 70 million litres, a dedicated 220m long petroleum jetty with all requisite piping systems and plans to construct and deploy four double hull oil tankers each of carrying capacity 4.5 million litres. Once fully operational, the projects will cut fuel transportation costs in Uganda by between 35–40%, according to the company's estimates.

President Yoweri Museveni initiated the ground breaking for the project on June 16, 2016 and on 9th September 2021, the first oil tanker MT Kabaka Mutebi II measuring 118 meters in overall length and 23 meters breadth with a draft of 2.5 meters was launched. The second oil tanker (similar to MT Kabaka Mutebi II) was under construction at over 60% completed with launch dates set before December 2022.

These tankers will regularly voyage between Mahathi depot and Kisumu oil jetty each substituting about 128 road tankers every time they ply.

"This project will be a game-changer for the country because we shall be able to transport fuels on Lake Victoria from Kisumu, Kenya to Kampala using oil tanker ships," Capt Mike Mukula, the Chairman and one of the shareholders of Mahathi Infra Uganda Limited said.

Mahathi Fuel Transport and Storage Depot will handle gasoline, kerosene, diesel and Jet A1, to be delivered by ships. The fuel will be stored in the depot and conveyed by trucks to its final destinations in Uganda, Rwanda, Burundi, eastern DRC and South Sudan, significantly cutting down delivery times as well.

"This project is a significant change in petroleum logistics and will increase the reliability of supplies," Mahathi Project Manager Dinesh Donadi told Lake Victoria transport stakeholders organized under the Intergovernmental Standing Committee on Shipping (ISCOS) Secretariat who visited the project site on 20th May 2022. The project also speaks to Uganda's medium and long term plans of building an oil hub and infrastructure for transit cargo to serve other markets, like the DRC.

Transporting oil by road has made it more susceptible to adulteration, accidents, and uncertain supplies in addition to rapidly deteriorating the main road from Malaba to Kampala. The reduction of fuel trucks on the road will therefore reduce the maintenance cost of the involved roads.

The oil jetty at Kisumu under the Kenya Pipeline Company (KPC) was ready by end of 2018. To supplement the Kisumu petroleum depot capacity, Kenya completed the 122-kilometer Nakuru-Kisumu pipeline in June 2020. The line now supplies 39 million litres to the Kisumu depot, daily, up from 12 million.

KPC Managing Director Mr. Joe Sang said the Kisumu oil jetty's completion will increase the firm's competitive edge as East Africa's leading fuel transporter as the pipeline system is the safest and most cost-effective way of moving oil products on land.

Dar's New Terminal Boosts Port BUSINESS AS BIGGER SHIPS CALL

Dar es Salaam port has pegged its growth strategy on port expansion and modern equipment to attract record bigger vessels that have been calling at the facility since last year.

The port, on May 22, 2022, received a cargo vessel, Meridian Ace, carrying 4,397 vehicles, setting a record in terms of the number of vehicles imported in one ship since the facility started operating. This broke a record set earlier on April 8, 2022, when another ship containing 4,041 vehicles docked at the facility. 2,936 of these vehicles were for transit to neighbouring countries including Burundi, DR Congo, Malawi, Mozambique, South Sudan, Uganda, Zambia and Zimbabwe, reinforcing the new role the expanded port will play in positioning itself as a transit hub in East and Central Africa. The April ship, christened MV Frontier Ace GRT, is 189.45-metre long. Meridian Ace, a vehicle carrier built in 2000 and sailing under the flag of Japan, is 199.94 meters long.

Dar es Salaam has achieved this feat following the completion of the construction of a new Roll-on Roll-off (RoRo) terminal at the port in March 2021. This has enhanced the port's capacity for handling large ships, the Post-Panamax vessels, which it can now offload cargo within a matter of hours. "The construction of a new RoRo terminal at the port has boosted its capacity to handle much larger vessels with efficiency and to improve on the turnaround time for ships coming through," World Bank noted recently.

In 2018, the Tanzania Ports Authority (TPA) dug up and expanded what was just a creek outlet to join it to the rest of the deep-water mass to construct the new terminal. Before this project started operations in 2021, most vehicles had to be imported into containers and offloaded using cranes, which was a timely exercise and risky to the vehicles.

After successful offloading, the vehicles had to be driven up to 2 km away from the berth where the parking space was located and the driver had to walk back for more units. Motor vehicles are now driven off the ship and straight onto the adjacent spacious berth with a handling capacity of 3,000 vehicles at a time or over 200,000 per year.

According to the President of the Tanzania Freight Forwarders Association, Mr. Edward Urio, the limited port capacity caused a loss of revenue due to the slow turnaround of ships and caused huge demurrage charges because of unavoidable delays.

The vessels, according to him, could queue for up to 14 to 20

In 2018, the Tanzania Posts Authority (TPA) dug up and expanded what was just a creek outlet to join it to the rest of the deep-water mass to construct the new terminal. Before this project started operations in 2021, vehicles had to be imported into containers and offloaded using cranes, which was a timely exercise and risky to the vehicles.

The number of vessels received at the port by March 2022 had doubled from 6 to 12 per month.

days waiting for berthing space, costing some chartered vessels demurrage ranging from US$25,000 to US$40,000.

The number of vessels received at the port by March 2022 had doubled from 6 to 12 per month. The project is part of a $421 million Dar es Salaam Maritime Gateway Project (DMGP). Financed by the Government of Tanzania jointly with the World Bank and the UK Foreign, Commonwealth, and Development Office, the DMGP has supported the construction and deepening of berths 1–7 to 14.5 meters, which compares poorly to an average 8-meter draft depth before the expansion. The port can now comfortably host large vessels.

DMGP is also upgrading and deepening berths 8-11 to a depth of 15.5m and widening the entrance channel and turning basin to the end of Berth 11. In addition, the project will improve the rail platform and linkages within the port. "This project has been under implementation since 2017 to improve the effectiveness and efficiency of the Port of Dar es Salaam for the benefit of public and private stakeholders through the strengthening of the physical infrastructure and TPA's institutional capacity," according to TPA Director-General Mr. Eric Hamissi as quoted by The Exchange, an online business publication, in its February 2022 edition.

The Dar port is an anchor port that serves the land-linked countries of Rwanda, Burundi, Uganda and the Democratic Republic of Congo. Between 2015 and 2020, the port increased trade for these countries by about 16.6% up from a low of 13.7 million metric tons in 2015 to a high of 16.01 million metric tons as of 2020. TPA envisages handling 84 million tonnes of freight per annum by 2026, according to its development plan. Tanzania is geographically strategically located. "Having direct access to the Indian Ocean with a long coastline (about 1,424km) and at the centre of the east coast of the African continent, Tanzania has the potential to become the least-cost trade and logistics facilitation hub of the Great Lakes Region as it links up with global markets," reads part of the 2015-2021 Five-Year Plan.

The document further says that Tanzania is, by its location, a traditional bridge, and a place of physical intersection of the transport corridors that link the markets of the Tripartite EAC, SADC and COMESA regional economic groupings. Tanzania's government says it is determined to seize on that unfolding opportunity by positioning the country among emerging maritime economies using its competitive advantage of a long coastline.

Besides developing the basic transport infrastructure, starting with the ports, the government is also developing economic and trade corridors that ensure maximum benefit from the gateway position. "Tanzania can become the leading multi-modal transportation and logistics hub with wide scope for regional and global trade facilitation, presented with advantages for shipping, warehousing and bulk storage, serving several countries in the hinterland," the five years strategic plan observed.

Important projects currently at different stages of implementation include expansion and modernization of the Indian Ocean ports of Dar es Salaam, Tanga and Mtwara, as well as the lake ports of Mwanza and Kigoma. Other projects include the establishment of Kwala Dry Port, the construction of the Standard Gauge Railways (SGR), paving of trunk roads, and overhaul of the operations of the Tanzania-Zambia Railways Authority (Tazara).

Once fully overhauled, the North-West Corridor of Tanga Port would have a modern and expanded port entrance from 4 to 13 metres and construction of two deep-sea berths. Tanga will also have a special economic zone. A rehabilitated Ruvu-Tanga-Moshi railway line; the construction of the Arusha-Musoma Road and Uganda-Tanga oil pipeline will support this. Development of the Mtwara Development Corridor involves expansion and modernization of Mtwara Port by constructing a new 300-metre quay, with 13 metres of water depth; construction of the Mtwara-Liganga-Mchuchuma railway to standard gauge one and Mtwara Petrochemical Special Economic Zone, among others.

The government has anchored the marine transport strategy on the planned overhaul of the railway and road infrastructure in the country. Construction of the first phase of the Standard Gauge Railway (SGR) is at an advanced stage. The rehabilitation of the Metre Gauge Railway (MGR) is going well.

Besides developing the basic transport infrastructure, starting with the ports, the government is also developing economic and trade corridors that ensure maximum benefit from the gateway position.

Kenya Banks on New Oil Terminal
TO LOCK TRANSIT BUSINESS

Mombasa port is banking on the US $385 million new Kipevu Oil Terminal (KOT) to cement its control of handling oil in the Great Lakes region. The facility is now ready for use by shippers and the Kenya Ports Authority (KPA) has been doing test runs of oil dispatch since April 2022.

Energy and Petroleum CS Monica Juma, in a recent visit to the Port of Mombasa, said the new facility is a game-changer as Kenya moves to become the biggest petroleum products handler in the region."This is a very important project in the energy and petroleum sector. We can all appreciate the scale of this magnificent infrastructure," Juma said.

Tanzania has in recent years hived a huge oil transit market from Mombasa port following persistent allegations of adulteration of petroleum products along the Northern Corridor, which is possible when oil is transported in trucks.

Once fully operational, the new oil facility will ensure Mombasa assumes its place as a commercial hub for the region and the West Indian Coast region. President Uhuru Kenyatta, who inspected the facility in January 2022, said it will save Ksh. 2 billion annually in demurrage charges. The new oil terminal is an offshore facility located midstream at the Port of Mombasa, opposite the existing Kipevu oil terminal that was constructed in 1963. The project comprises an offshore island terminal with four berths with a length of 770 metres. It also has five sub-sea pipelines buried 26 metres under the seabed for future dredging of the channel without interfering with the pipes. The facility is designed to handle five different fuel products: crude oil, heavy fuel oil and three types of white oil products (DPK-aviation fuel, AGO-Diesel and PMS-Petrol).

Tanzania has in recent years hived a huge oil transit market from Mombasa port following persistent allegations of adulteration of petroleum products along the Northern Corridor, which is possible when oil is transported in trucks. The government has also begun converting the Kenya Petroleum Refineries Ltd (KPRL) Changamwe depot in Mombasa a few kilometres from Kipevu, into an oil storage facility for fuel and liquefied petroleum gas as Kenya plans to create a petroleum products hub for the region. Kenya Pipeline Company (KPC) recently took over the state-owned KPRL.

Kenya's Energy Permanent Secretary Mr. Andrew Kamau said that the acquisition of the refinery will significantly cut perennial inefficiencies that have characterized the petroleum products' supply, which often translates into high prices at the pump, amid shortages. According to the Energy and Petroleum Ministry, the refinery's storage tanks for fuel and liquefied petroleum gas will help reduce backlog at the terminal.

"We will use this new facility since it has intake and offload mechanisms, where bigger ships can offload fuel, have it stored in the KPRL depot, and thereafter pumped back to smaller vessels, which can supply Indian Ocean islands such as Zanzibar, Seychelles, Mauritius and other countries that lack such facility," Mr. Kamau told The East African, a regional newspaper in April 2022.

Kenya is keen to recapture the Ugandan market, its main transit market, to import fuel from Kenya through the Northern Corridor to Kisumu, then transfer it through Lake Victoria using the $170 million new fuel jetty in Kisumu. A storage facility, Mahathi Fuel Transport and Storage Depot, has been constructed on the Ugandan side to handle gasoline, kerosene, diesel fuel and Jet A1 from ships sailing through Lake Victoria. The fuel will be stored in the depot and conveyed by truck to final destinations in Uganda, Rwanda, Burundi and South Sudan, significantly cutting down delivery times as well.

Currently, Uganda accounts for three-quarters of Mombasa port's transit cargo. With the storage facilities in Mombasa and Nairobi now connected to the old meter-gauge railway network, Kenya Railways will dedicate freight trains to transport petroleum products. Acting KPA Managing Director Mr. John Mwangemi said faster loading is expected to translate into lower prices for LPG, as oil-marketing companies are expected to pass the benefits of reduced demurrage costs to consumers. The new LPG terminal will have two LPG offloading lines where, according to the government's plan, KPC will have rights to one line while private companies will be allocated the second one.

Another key development at the Mombasa port is the completion of phase two of the second container terminal, which will increase capacity at the port by 450,000 Twenty-Foot Equivalent Units (TEUs) annually. It is also set for commissioning this year.

The government has already picked the Mediterranean Shipping Company (MSC) to run the phase 2 terminal. The Swiss shipping line is expected to raise its stake in the Kenya National Shipping Line (KNSL), which will become the operator of the terminal. MSC will increase its shareholding in KNSL, which will put it on an equal footing inshareholding with the KPA, which currently owns a 74.8 percent stake in the national shipping line.

The KPA, MSC, and KNSL disclosed this to the Common Market for Eastern and Southern Africa (COMESA) Competition Commission as they sought regulatory approval for the transaction that they said would give MSC and KPA joint control of KNSL. MSC's stake will be held by Shipping Agencies Services Sàrl (SAS), its wholly-owned subsidiary. KPA built the Ksh. 32 billion second container terminal, with finance from the Japan International Cooperation Agency (JICA). The Japanese Toyo Construction Company undertook the actual construction.

"KNSL will, as part of the joint venture, become the new operator of the Mombasa Container Terminal 2 (CT2) at the port of Mombasa in Kenya and begin offering freight forwarding services and container liner shipping services," said the COMESA competition watchdog in a call to the public to give comments on the transaction. KPA will continue to operate Mombasa Container Terminal 1, Conventional Cargo Terminal, Shimanzi Oil Terminal and the Kipevu Oil Terminal, which are all based in Mombasa and the terminals in Lamu, Malindi, Mtwapa, Kiunga, Shimoni, Funzi and Vanga." The first phase of the second terminal, which was built at a cost of Sh. 26 billion, was completed in 2016 and is being operated by KPA.

In the application lodged with the COMESA Competition Commission, MSC and KPA said the move would further enhance Kenya's position as a logistical and transhipment hub. "The proposed joint venture, combined with the ongoing expansion projects of Mombasa Container Terminal 2, will help position the port of Mombasa as a strong transhipment hub for liner shipping services in South-East Africa," said the COMESA Commission, adding that it would also see more investments that will increase job opportunities for Kenyans

IMO adopts guidelines to SUPPRESS WILDLIFE TRAFFICKING

The 46th Session of the International Maritime Organization (IMO) Committee on The Facilitation of Maritime Trade (FAL) adopted the "Guidelines for the Suppression & Prevention of the Smuggling of Wildlife on Ships Engaged in International Maritime Traffic" on 14th May 2022.

"The Guidelines were proposed as output by Kenya in 2019, and we have championed and lobbied for their adoption, bringing together member States' Governments, UN Agencies, Intergovernmental Organisations (IGOs), and academia among other players to draft and agree on the terms of the guidelines," Principal Secretary, State Department for Shipping and Maritime in the Ministry of Transport, Infrastructure, Housing, Urban Development, and Public Works and special envoy on maritime and Blue Economy affairs said.

The Guidelines were formally submitted to FAL 46 by Brazil, Colombia, Germany, Kenya, Tanzania, the Intergovernmental Standing Committee on Shipping (ISCOS), the International Chamber of Shipping (ICS), the World Wide Fund for Nature (WWF), the International Fund for Animal Welfare (IFAW) and the International Organisation of Airports and Seaports Police (INTERPORTPOLICE).

As an organization mandated with the Promotion, Protection and Coordination of the Shipping and Maritime interest of its Member States and by extension the region, ISCOS supports the need for Guidelines to curb illegal wildlife trade on ships engaged in International Maritime Traffic.

Consequently, ISCOS are pleased to learn that the proposal by the Republic of Kenya to develop Guidelines for the prevention and suppression of the smuggling of wildlife on ships was adopted by the 44th Session of the International Maritime Organisation (IMO) FAL Committee held from 13th May - 15th May 2022.

ISCOS also appreciated that the draft IMO Guidelines underwent review, confirming its co-sponsorship of the draft Guidelines.

The Guidelines provide extensive recommendations for both government agencies and the private sector to increase due diligence over this criminal activity.

Formal efforts started in FAL44 led by the Republic of Kenya with a working group composed of the United Nations Development Programme (UNDP), WWF, and TRAFFIC, a leading non-governmental organisation working globally on trade in wild animals and plants in the context of both biodiversity conservation and sustainable development and United for Wildlife Transport Taskforce.

"We are thrilled that the IMO Member States have made this commitment to tackling the illegal networks that exploit maritime supply chains to traffic wildlife. These new Guidelines, including the FAL Compendium, will provide a fundamental resource to aid governments and the private sector to take collaborative action against the illegal wildlife trade and help to conserve our global biodiversity," Philippa Dyson, TRAFFIC's coordinator of transport sector engagement said in a joint statement with WWF.

Wildlife trafficking is a growing concern globally, threatening not only biodiversity but also ecosystems vital for climate change mitigation, domestic and international economies, and potentially human health, the joint statement noted.

Organised criminal groups are increasingly taking part in this illegal activity which is still considered "low risk - high reward". Smugglers exploit the weaknesses in supply chains to illegally transport endangered species, including live animals, animal products, plants and timber.

"With 90% of the world trade being seaborne and an estimated 72-90% of illicit wildlife volumes being trafficked through maritime transport, the sector holds a responsibility to engage against this transnational organised crime," the joint statement said.

The Guidelines highlight measures and procedures already available to the private sector and government agencies to combat wildlife trafficking within the industry.

The Guidelines provides information on the nature and context of maritime smuggling of wildlife. It includes measures to prevent, detect and report wildlife trafficking within the maritime sector, with an emphasis on due diligence, responsibility-sharing, and cooperation between all stakeholders along the supply chains.

"These Guidelines present a game-changer in the fight against the illegal wildlife trade. Through dedicated and expert support from IMO member states and partners, government authorities and companies can implement greater safeguarding measures to protect their employees, business, and nature, critical to protecting the integrity of maritime supply chains from operational, economic, security, and zoonotic health risks," Dr. Margaret Kinnaird, Global Wildlife Practice Leader of WWF said.

Global Disruptors Nudge For Africa Intra Trade

Early April, Shanghai and home to world's largest port went into a lockdown. The news spooked the shipping community as Shanghai Port supplies consumer goods virtually to every gateway terminals around the globe.

Just to appreciate the magnitude of operations at Shanghai port, it moves approximately 250,000 containers on a normal day. In a span of days, trucking and warehouse capacities in Shanghai Port greatly declined due to strict quarantine measures. It became severe that some shipping lines started to omit calls to Shanghai in the second week of April.

Although the lockdown lasted for only eight weeks, it derailed the recovery of shipping industry. More so, for a continent like Africa, which is a net importer, lockdowns in places like China pose immense threat to businesses. Add to the fact that Africa is served by foreign ocean carriers who always prioritize profitable trade routes in case of capacity shortages in shipping.

Last year, Alphaliner, a proprietary shipping database, indicated that Africa was the biggest loser in the pandemic-driven shift in global liner patterns.

The data revealed that capacity deployed on liner services to and from Africa was 6.5% lower than one year ago. Most capacity was relocated to the transpacific and transatlantic routes.

These changes led to further spikes in freight rates. In fact, according to an analysis by UNCTAD, the impact of high freight rates was greatest on trade routes to developing region. Part of the explanation lies in the fact that routes from export hubs like China to African countries are often longer. That is, most countries in the region are likely to be served by more than one vessel, as shipping lines prefer to use feeder services.

Unfortunately, hiking of freight rates can be so arbitrary to a point of being unjustifiable and unfair to shippers.

In March, COMESA's (The Common Market for Eastern and Southern Africa) competition watchdog announced it had commenced investigations against two of the leading shipping companies servicing Africa. COMESA accused Maersk, CMA CGM, along with United Africa Feeder Line for allegedly colluding in increasing the rates, a move that is contrary to COMESA's competition laws.

"The Commission has observed that the shipping liners have issued price announcements which may be an infraction of the regulations," said COMESA.

Meanwhile, as analysts predicted the world economy would begin recovery, another major disruptor hit. The invasion of Russia in Ukraine, two industrial nations, meant another crisis for the shipping industry.

As of 2021, both Russia and Ukraine were among the top exporters of grain and edible oils globally. Specifically, Africa imported a third of its wheat from Russia and Ukraine.

In June, Pwani Oil, a major edible oils manufacturer in Kenya announced it would temporarily halt production due to lack of crucial raw materials.

"Global supply chains have been severely impacted by the Russia-Ukraine conflict. In addition, some countries such as Indonesia where Kenya imports close to half of its palm, have suspended exports of palm oil," said Pwani Oils Commercial Director Rajul Malde, at the time.

Countries like India and Indonesia imposed strict export conditions for agricultural produce-grain and edible oils, respectively- to protect their domestic supplies.

Indeed, it is ironical that Africa, a resource rich continent with vast amounts of arable land, still imports food produce from outside. However, the shipping crisis wrought by Covid-19 pandemic and Russia-Ukraine war should serve as the last nudge for swift adoption of intra African trade.

By Brain Gicheru,
The author writes for the Maritime Executive.

COMESA Develops Blue Economy Strategy

COMESA has developed a draft strategy that will guide its 21 members on how to exploit the untapped Blue Economy. COMESA Secretariat presented the draft to the Members States, who met between 26-27 April 2022 in Lusaka, Zambia, where they reviewed and validated it.

There is very little information on the potential of the Blue Economy among the Member States, which explains its low uptake, the meeting noted. The new strategy is being embraced by members as a mechanism to realize sustainable ocean-based economic development.

Currently, the focus has been primarily on land-based economic development or on conservation rather than on the sustainable use of the investment in an ocean-based economy, for national benefit.

"An integrated approach to ocean-based and inland water development, which brings together economy, environment and society is crucial," said the COMESA Assistant Secretary-General, Dr. Kipyego Cheluget when he addressed the delegates, adding that the COMESA Member States have recognized that regional integration without a deliberate targeting of interventions on the Blue Economy would not yield all-inclusive developmental results.

Under the Blue Economy initiative, the regional bloc will support its members towards improving the production and trade of fish and fisheries products; increasing the contribution of tourism to economic growth in COMESA; improving shipping/transportation, trade, and ports; sustainable energy and mineral resources and innovative industries; and improved management of natural resources, according to the draft document.

Director for Sustainable Environment and Blue Economy at the African Union Commission Mr. Harsen Nyambe stated that despite the recognition that Africa's oceans are some of the richest environmental resources in the world, there remains a low consideration of their importance as a source of income towards the growth of African economies.

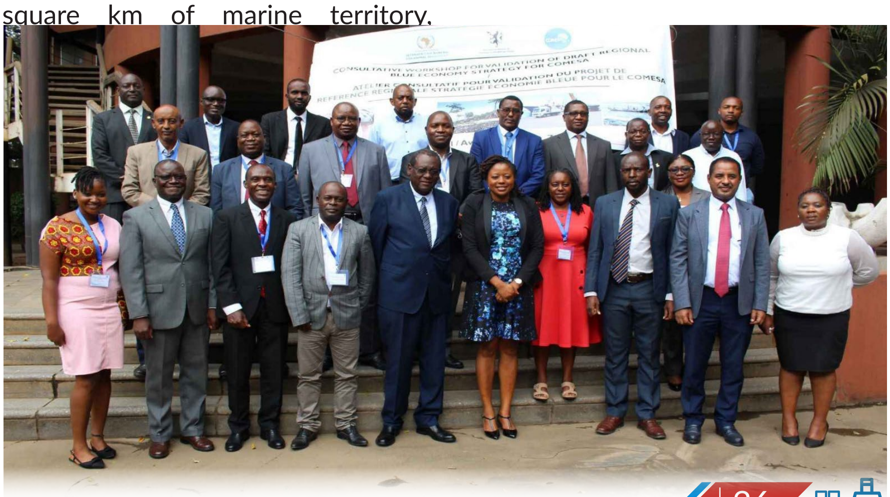
"There is an urgent need to invest in the management of African oceans if the momentum of a blue or ocean economy is to be harnessed sustainably to contribute to national economies and the conservation of ecosystems and the marine environment," he said in a speech presented by Ms. Linda Oje Etta.

According to the AU, two-thirds of Africa are coastal and island states, with jurisdiction over 13 million square km of marine territory, including approximately 6.5 million square km of the continental shelf. Further, 65% of the African continent has a network of rivers, lakes, aquifers and other freshwater sources.

The Blue Economy seeks to protect these fragile aquatic resources while advancing the sustainable development of sectors that hinge upon them. Thus, the development of the Blue Economy strategy will guide the implementation of an appropriate intervention to maximize the benefit of marine, inland and underground water resources.

The Kingdom of Norway financed the formulation of the COMESA Blue Economy Strategy through the African Union Inter-African Bureau for Animal Resources (AU-IBAR).

The AU-IBAR Director, Dr. Nick Nwankpa, noted COMESA was one of the first beneficiary institutions of this support among regional economic communities. He was represented by Dr. Admore Chakandenga.



The Secretary General, ISCOS had the pleasure of meeting His Excellency Dr. Paul Adalikwu, Secretary General of the Maritime Organization of West and Central Africa (MOWCA) and Mr. Giscard Lilian OGOULA, Secretary General of the Union of African Shippers' Councils (UASC) at MOWCA offices in Abidjan, Cote d'Ivoire on 18th July 2022.

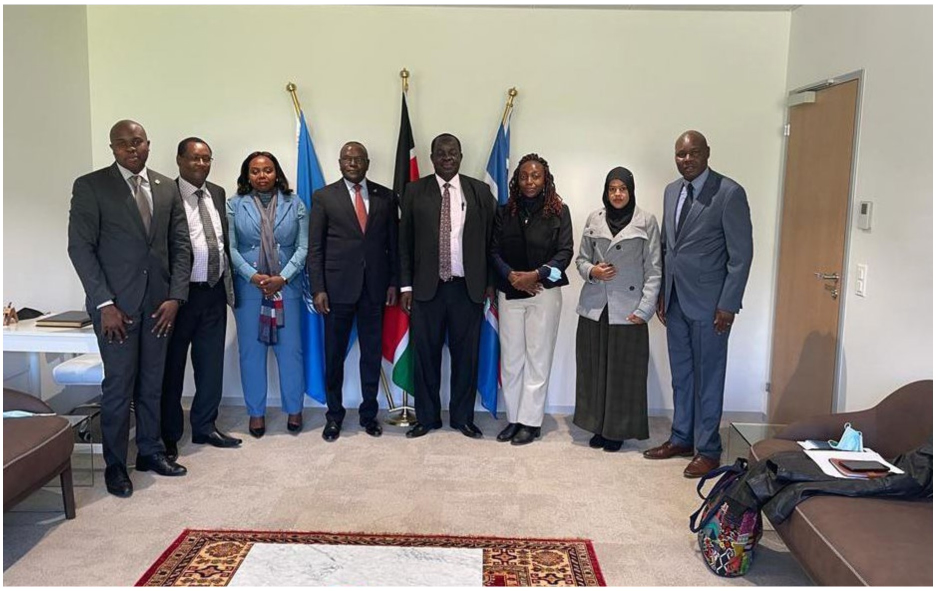
Delegates attending ISCOS 7th Assembly of Ministers in Entebbe Uganda

Learning and Information Dissemination

ISCOS Secretariat hosted MBA students from the Institute of Finance Management (IFM), the United Republic of Tanzania on 1st April 2022

The Secretary General, Mr. Daniel Kiange had the pleasure of hosting Honorable Byamukama Fred, Minister of State for Transport, Ministry of Works and Transport, the Republic of Uganda on 4th April 2022 at ISCOS offices.

ISCOS Secretary General Daniel Kiange and Col, Andre Ciseau of Port Management of Eastern and Southern Africa (PMAESA) signed a Memorandum of Cooperation (MOC) at the ISCOS boardroom on Tuesday 24th May 2022.



Kenyan Delegation to the 4th Oceans Forum paying a courtesy call to the Kenya Mission in Geneva on 6th April 2022
L-R: Embassy staff, Mr. Joseph Kinyua - Kenya National Shipping Line, Ms. Mwanaulu Issa -ISCOS, Amb. Dr. Cleopa Mailu, Mr. John Omingo – Kenya Maritime Authority, Ms. Isabel Ochieng - National Treasury, Ms. Khadija Nuseybah Hassan – National Treasury and Embassy Staff

The Stakeholders' Forum for the Facilitation of Shipping and Trade across Lake Victoria held from 18th to 20th May 2022 at Imperial Royale Hotel, Kampala, Uganda

KenTrade's Foray Into The Big Data Tool MAKES DECISION MAKING EASY

Kenya has made significant strides that will help logistics industry players in the region to make business-related decisions with great ease following the launch of a Kes. 90 million Business Intelligence (BI) Tool. The tool seeks to collect extensive data on Kenya's import and export trade.

"The BI tool helps to facilitate ease of trade in Kenya through extraction and analysis of real-time data to help trade facilitators and government agencies make data-driven decisions," Mr. Wangora said during the pilot launch of the tool on 30th June 2022, adding that the move will see the Agency harness relevant data from stakeholders' systems

The new drive is an initiative of the Kenya Trade Network Agency (KenTrade), a state corporation set up in 2011 under The National Treasury and Planning. The Agency runs the Kenya TradeNet System, the National Electronic Single Window System, an online platform for clearing cargo.Kenya TradeNet System was launched by the East African Community (EAC) regional Heads of States in Nairobi in May 2014.

The Agency, which has now become a major trade enabler in Kenya and for other East African players using Mombasa, was mandated to establish, manage and implement the online system.

It has since fully achieved this feat, giving it room to venture into other areas of trade facilitation, such as the latest BI platform.

The new BI Tool, according to Mr. Amos Wangora, the Chief Executive Officer of KenTrade, will analyze and disseminate data in real-time to trade facilitators and government agencies aimed at making better data-driven decisions.

"The BI tool helps to facilitate ease of trade in Kenya through extraction and analysis of real-time data to help trade facilitators and government agencies make data-driven decisions," Mr. Wangora said during the pilot launch of the tool on 30th June 2022, adding that the move will see the Agency harness relevant data from stakeholders' systems.

This will support better visibility of Mombasa Port, and the Northern Corridor Community Charter for improved decision-making and efficiency. The system will address the challenge of limitations of report generation features on the TradeNet System.

"We have also seen a need to harness additional relevant data from stakeholders' systems for improved decision making and efficiency," Mr. Wangora explained.

Funded by TradeMark East Africa (TMEA), the BI tool will also help the Agency visualize internal and external strengths and weaknesses, detect opportunities for more innovation and will be instrumental in the Agency's goal of reducing the cost of doing business in Kenya, Mr. Wangora explained.

During the rollout phases, Partner Government Agencies (PGAs) will each be given a license to access reports and visualizations relevant to their data. The PGAs will access standard reports and ad hoc reporting capabilities for free.

The Mombasa Port and Northern Corridor Community Charter, MPNCCC related reports will be published to its website, while more analytical and complex reports will be provided at a cost to sustain the Business Intelligence, Data Warehousing & the Integration Layer, IL infrastructure, according to Mr. Wangora.

KenTrade currently interfaces with 38 Partner Government Agencies, banks, and insurance firms.

The launch of the BI comes when KenTrade has upgraded its system to enhance its users' experience. The upgrade, which started in August last year, had by June 2022, brought on board 25 PGA.

Kenya TradeNet System has been operating since October 31, 2013, when it officially went live. The government collects over US$22.19 million through the system per year, with most Government agencies recording double-digit growth in revenue, according to Mr. Wangora.

The System has recorded over 15,000 users, registered with 41 stakeholder organizations, drawn from the both public and private sectors. To date, the system has implemented all the modules that were envisaged on the Kenya TradeNet System with the latest being the Risk Management module.

Other Trade Facilitation tools by Kenya TradeNet System include the Information for Trade in Kenya (InfoTradeKenya) System, which was launched in 2017.

This portal has published procedures of various commodities on trade regulatory information from government ministries and agencies that have a role to play in international trade.

The Watchlist Screening (i-ScreenKenya) was first introduced in March 2019 before upgrading to enable the trading community and other stakeholders to access and search for information about their potential trading partners.

Kenya Maritime Authority (KMA) and KenTrade were given the responsibility of overseeing the implementation of the FAL agreement through the automation of passenger and ship clearance procedures which entailed enhancing the existing Kenya TradeNet System to cater to Maritime Single Window functions. The system went live in July 2021.

> **Funded by TradeMark East Africa (TMEA), the BI tool will also help the Agency visualize internal and external strengths and weaknesses, detect opportunities for more innovation and will be instrumental in the Agency's goal of reducing the cost of doing business in Kenya**

National governments are required to introduce electronic information exchange between ships and ports, which came into effect on 8 April 2019. The aim of this was to make cross-border trade simpler and the logistics chain more efficient. Over 10 billion tons of goods are traded by sea annually across the globe.

This requirement was an initiative of the International Maritime Convention's (IMO's) Convention on Facilitation of International Maritime Traffic (FAL Convention), and is part of a package of amendments under the revised Annex to the FAL Convention, adopted in 2016.

This will reduce or eliminate the manual, decentralized, duplicated and unnecessary lengthy processes in the maritime sector, which is affecting the ship turnaround time and increasing costs at the port of Mombasa.

Kenya Revenue Authority Phases Out
OLD CARGO CLEARING SYSTEM.

Kenya Revenue Authority (KRA) has successfully piloted all customs modules on the Integrated Customs Management System (iCMS) and announced that Document Processing Centre (DPC) will no longer accept entries lodged through the over a decade old Simba system to make cargo clearance at the Port of Mombasa paperless.

The new KRA system replaces the Simba system, which had some serious shortcomings because of a rapidly changing technology and dynamics. Having successfully rolled out air cargo clearance modules through iCMS, KRA fully rolled out clearance of motor vehicles and bulk cargo at the port of Mombasa in November 2020, after several months of piloting.

KRA issued a public notice setting the commencement date as the 6th May 2022. The only entries that KRA will accept through the Simba system are those of petroleum products, ex-warehouse, and Completely Knocked Down (CKD) motorcycles, the notice announced.

iCMS eliminates redundant processes, reengineers custom processes, automates manual processes and will reduce the time and cost of doing business. The system has reduced the paperwork cargo clearance period from 24 hours to under 10 minutes, according to users.

The new system has been one of the positive things brought about by Covid-19, which made KRA and other government agencies fast-track automation of customs clearance processes because of pandemic transmission measures that discouraged physical interactions.

The system also allows clearance of goods before the vessel arrives, enabling importers and clearing agents to discharge the cargo immediately after it is available at the points of entry.

Overall, vessel documentation has improved from 48 hours to 24 hours, according to Silvester Kututa, the Chairman and Founder of Express Shipping Line (ESL)- one of the firms that piloted the system since 2019. The KRA has been piloting the iCMS system in phases at the port, starting with the clearing of motor vehicles, bulk cargo, and export cargo.

The new KRA system replaces the Simba system, which had some serious shortcomings because of a rapidly changing technology and dynamics. Having successfully rolled out air cargo clearance modules through iCMS, KRA fully rolled out clearance of motor vehicles and bulk cargo at the port of Mombasa in November 2020, after several months of piloting.

In early 2021, the KRA also included containerized cargo. The need to enhance efficiency

Operations cost brought about by movement from office to office has also been reduced significantly and the system has also brought about transparency in tax collection and timely entry approval

in cargo clearance processes prompted the KRA to develop an integrated system with friendly interactive capabilities to eliminate redundancy and automate both manual and semi-manual processes.

The system has also addressed the performance challenges and filled the security gaps that were being experienced by the old system, according to Ms. Lilian Nyawanda the Commissioner, Customs and Border Control at KRA. iCMS was first rolled out in March 2019 at Jomo Kenyatta International Airport (JKIA).

KRA has also fully rolled out the system at Moi and Eldoret international airports, where it is being used to clear both the import and export cargo. Other benefits of the system, according to Kututa, include coordination between agents and stakeholders, reducing human interaction that saves time, and enhancing integrity levels in the cargo clearance customs system.

Kenya's TradeNet System, operated by KenTrade, the online cargo clearance platform, has fully been integrated into the KRA new system and has now registered over 12,500 system users.

"Operations cost brought about by movement from office to office has also been reduced significantly and the system has also brought about transparency in tax collection and timely entry approval," Kututa said. KRA has in recent months attributed high custom revenue collection to improved transparency. During the first half of the Financial Year 2021/2022, Customs revenue sustained its excellent performance after collecting Kshs. 355.787 billion against a target of Kshs. 322.737 billion, reflecting a revenue surplus of Kshs. 33.050 billion. The Customs revenue recorded growth of 19.5 percent in the period under review.

The new system, according to Kututa, has enabled visibility of process flow for the importers and exporters as one can track and see the choke points."It has also been helpful regarding one-time approval for exemptions on Import Declaration Forms (IDF) and Railway Development Levy (RDF) fees for members of Kenya Manufacturers Association (KAM), which required physical approval based per shipment hence saving time and making the process seamless and speedier than before," Kututa said.

Approval of the IDF took up to two days and will now take less than 30 seconds. Approval of declaration upon payment of taxes will also drop from the current 2 days to less than 30 seconds. Approval of manifest upon submission will take less than 30 seconds as opposed to the current 2 days while it will take less than 30 seconds to release Authorized Economic Operators (AEO) consignment which currently takes up to 6 hours, KRA said in anearlier statement.

KRA has also successfully rolled out a Facilitative Authorized Economic Operator initiative to fast-track customs clearance of low-risk direct exports of tea, flowers, soda ash, coffee, spices, herbs and avocados. The aim of this initiative is to reduce the time and cost associated with documentary and border compliance. KRA advised the exporters of the 7 listed direct exports to engage the services of Authorized Economic Operator Clearing Agents in order to enjoy these benefits. AEOs are compliant and trusted traders who may trade with minimal customs controls.

The scheme significantly reduces the physical and document-based controls, offers priority treatment in customs, and guarantees easy access to customs by businesses,among others.

In 2005, the World Customs Organization (WCO) Council adopted the SAFE Framework of Standards to secure and facilitate global trade. The AEO programme was among the protocols that were borne out of this decision, and, as a result, the EAC revenue administrations, through their respective Commissioners of Customs, conceived the regional AEO programme in 2006.

Expanded Role As State Anchors KenTrade
IN A STRONG LEGAL FOUNDATION

The Kenya Trade Network Agency (KenTrade) has now a strong legal foundation and new roles after the government firmly anchored the institution into law following the signing of the National Electronic Single Window System (National Assembly Bill No. 15 of 2021) into Law by the President of the Republic of Kenya Kenya H.E Uhuru Kenyatta on June 21, 2022.

The late H.E president Mwai Kibaki established KenTrade through an Executive Order he signed on 14th January 2011 and gazetted it as Legal Notice No. 6 of 2011 for implementation of the Kenya National Electronic Single Window System (KENSWS) on 28 th January the same year.

Domiciled at the National Treasury and Planning, the government tasked the Agency to facilitate cross-border trade and establish, manage and implement the Kenya TradeNet System, an online cargo clearing platform, as an enabler of the realization of the country's Vision 2030 flagship projects.

Political goodwill and commitment from the government's mother ministry, according to the Agency's Chief Executive Officer Mr. Amos Wangora, has seen KenTrade grow in bound, currently offering a range of Trade Facilitation projects.

The government has in recent years profiled KenTrade as a strategic institution in delivering

Kenya's Vision 2030 flagship and other key government projects.

Mr. Wangora, in an exclusive interview with a weekly regional newspaper, the EastAfrican of 26th June 2022 said that the law will enhance the use of the Single Window System by helping protect data, stem fraud and exploitation in the logistics coordination system experienced by importers and exporters using the platform from time to time.

According to Mr. Wangora, the Law makes KenTrade a one-stop consignment release centre that will offer electronic trade transactions. Before, traders needed to deal with over eight agencies before the cargo was released for import or export, but the Law now merges this under the KenTrade system.

The Law empowers KenTrade to operate autonomously and removes sole reliance on the Exchequer's funding for its operations. The budgetary allocation the Agency has been receiving from the Exchequer has not been commensurate to its expanding roles, KenTrade said in 2020 when it attempted to introduce user fees that were consensually withdrawn after consultation with industry players.

The purpose of the new Law is to provide for the operationalization of the NESWS in order to facilitate trade; establish KenTrade and provide room for electronic transactions, according to Mr. Wangora.

The NESWS serves as a single-entry point and platform for any person involved in trade and transport to lodge documents electronically, including import and export documents for processing and approvals. It will also recognize the use of electronic signatures in documents processed in the

System, he added.

The new Law also gives KenTrade the legal mandate to facilitate the electronic payment for fees and levies on transactions submitted through the System.

"Any person required to use the NESWS shall apply to the Agency in a prescribed form to be registered as a user of the System. The Electronic information submitted in the System shall have the same legal effect as physical documentation," KenTrade said in a recent industry brief.

The enactment of the NESWS Act also affects the Agency's legal standing as it effectively establishes the KenTrade as an Agency with an enhanced mandate which is entrenched in law.

The Agency has now a legal mandate to establish and manage the TradeNet System and facilitate trade; implement policies relating to the System and undertake and co-ordinate research and surveys in electronic commerce aimed at simplifying and harmonizing trade documentation.

KenTrade will also be mandated to maintain an electronic database of imported and exported goods and services, levies, fees, duties, and taxes charged on imported and exported goods and services.

The Agency will plan, develop, monitor and evaluate training programmes for all stakeholders to ensure conformity with international best practices, according to the new law.

It will also entrench the mandate of the Agency in law, provide a legal foundation for harmonization of conflicting legal frameworks governing approval and processing of trade documents and efficiency in electronic processing of trade documents, added the brief.

With the enactment of the law, the Cabinet Secretary in charge of the National Treasury and Planning shall now make regulations for the reform of KenTrade and its mandate.

Dar Port Terminal Hit record High Performance on New Equipment

Tanzania Ports Authority (TPA) container terminal handled a monthly record of 61, 450 236 Twenty-Foot Equivalent Units (TEUs) in June 2022.

This was announced in July 2022 by the Tanzania International Container Terminal Services (TICTS), the terminal operator. This edged out record productivity in March. The throughput for the month of March 2022 was 61,236 TEU.

Commenting on the achievements, Mr. Matthew Clifft, Acting TICTS CEO said, "We are very proud of our teams who achieved this new record. Our ultimate goal is to facilitate trade and minimize turnaround times. With this in mind, we are striving to ensure that the terminal can achieve these levels of productivity on an ongoing basis.

To improve efficiency at the terminal, TICTS has already invested over Tsh 12.5 billion in equipment this year and said it is keen to support the government with its long-term vision for the port.

TICTS operates the container terminal at the Port of Dar es Salaam, Tanzania, which handles more than 90 percent of Tanzania's seaborne trade.

TICTS is a member of Hutchison Ports. Hutchison has a network of terminal operations in 52 ports spanning 26 countries throughout Asia, the Middle East, Africa, Europe, the Americas and Australia.

The high volume handled in March was a result of a peak season of agricultural exports and strong local and transit demand. In june 2022, TICTS also handled the largest cargo exchange ever in Tanzania on Hapag Lloyd's MV Mombasa Express with more than 6,600 TEU.

TICTS currently has an ongoing investment program that will see an investment of TS12.5 billion (approximately US$5.4 million) in new equipment including rubber-tired gantry cranes and reach stackers.

"We are very proud of our TICTS team. While this record throughput is excellent news for the country, our team needed to step up to meet this unprecedented demand. Inevitably there were delays, but our shareholders continue to mobilize resources to further optimize operations at the port," Andy Tsoi, Hutchison Ports Managing Director, Middle East, and Africa said.

TICTS in May 2022 acquired three additional rubber-tired gantry cranes (RTGs) and one reach-stacker in its effort to expedite container handling at the Dar es Salaam Port.

"With continued strong economic growth, we are pleased to receive this additional equipment as it will help us meet the demand of the upcoming peak season,' Clifft said, adding that TICTS aim was to minimize waiting time and maximize productivity.

Located at Berths 8 through 11, TICTS operates 725 meters at the port with six quay cranes each with a handling capacity of 45 metric tonnes.

With the equipment arrival, the terminal currently has a fleet of 23 RTGCs which work the stacking area of 18.75 hectare.

Digitization Key To Unlock SHIPPING IN AFRICA

Covid-19 and Russia- Ukraine war, two global disruptors, have seen initiatives aimed at restructuring supply chains by policy makers grow in prominence.

"Indeed, the leading agenda in our era is digitization. For maritime companies, having a robust digital strategy is an essential factor for future-proofing operations. Global regulations are in accord to entrench a maritime digital ecosystem. Companies that fail to adapt accordingly, risk displacement.

At the heart of this discussion is the use of digital tools to create resilient supply chains. Currently, various parts of the world are experiencing port and intermodal transport congestion. Hence, transport facilitation has become important than ever.

As a result of the recent supply chains upheavals: border officials, port workers and logistics operators clearly recognize the need to reduce physical contact.

Indeed, the leading agenda in our era is digitization. For maritime companies, having a robust digital strategy is an essential factor for future-proofing operations. Global regulations are in accord to entrench a maritime digital ecosystem. Companies that fail to adapt accordingly, risk displacement.

The common digital trade facilitation tools include maritime and trade single windows systems. It is anchored on standards and regulations provided by IMO FAL Convention as well as WTO (World Trade Organization) Trade Facilitation agreement.

However, UNCTAD also provides a Trade Information Portal (TIP) - a website in each country where traders can easily access information about trade regulations and procedures, thus improving supply chains transparency.

All these processes are meant to cover both the arrival and departure of cargo and non-cargo vessels, facilitating sharing of associated documentation with port operators for a quicker turnaround time.

Gladly, countries in Africa have kept abreast in digitizing trade and shipping activities.

In April, Kenya's trade and cross-border facilitation agency, Ken Trade, celebrated its 10 years of operations. It operates one of sub-Saharan Africa's most advanced single window system- the Kenya TradeNet System.

Notably, it has operationalized all modules, including a maritime single window system. Across the wider Eastern and Southern Africa, high country readiness in terms of adopting trade facilitation technology is notable.

A recent survey by Open Plan Consulting on behalf of the Indian Ocean Commission (IOC) vindicates this position. The factors analyzed included level of automation in logistics sector, legal framework, human resource and technological readiness.

Based on the feedback from the polled states, Kenya is leading on overall factors followed by Tanzania and South Africa.

Reunion and Mauritius are the best performing for Island nations in South West Indian Ocean.

Remarkably, most of the countries in the region scored highly on technology section. This is due to the availability of fast internet, growth of mobile technology and ICT infrastructure to support other systems.

In addition, the high adoption of trade facilitation tools for most countries in the region is catalyzed by high-level political support. There are elaborate government-led initiatives to automate trade and logistics.

Based on these factors, the Indian Ocean Commission (IOC) has proposed for creation of a regional maritime single window (RMSW). IOC is an intergovernmental body that links Island nations in South West Indian Ocean.

Thus, the proposed RMSW project will cover IOC's member countries- the Union of Comoros, Reunion (France), Madagascar, Mauritius and Seychelles. It will also extend to South Africa, Kenya, Mozambique and Tanzania as partner countries.

Already, a feasibility study has been completed, which noted that the project would be viable.

By Brain Gicheru,
The author writes for the Maritime Executive.

Road Side Stations (RSS) Set To Be Developed In Uganda

The Northern Corridor Transit and Transport Coordination Authority (NCTTCA) is promoting the implementation of Road Side Stations (RSS) in its bid to promote road safety and security under the Private Sector Investment and Promotion (PSIP) program.

Roadside Stations (RSS) are meant to perform a critical role in ensuring secure 24-hour parking yards, health facilities, and local rejuvenation facilities (rest stops for truck drivers, accommodation, and washrooms, among others) are available along the corridor.

The RSS program started in 2014 following a feasibility study of the entire Northern Corridor by the Northern Corridor Secretariat to provide road users with safe and comfortable road travel conditions and contribute to local economies.

The study identified 141 locations for RSS out of which 67 were considered priority locations. Out of the 67 priority locations identified along the Northern Corridor, 27 are in Uganda. It developed three categories of RSS designs and their requirements for compliance and detailed the financial projections and models for their development.

From 7th to 14th March 2022, a multi-agency team comprised of public and private sector representatives undertook a Roadside Stations (RSS) survey along the Northern Corridor on the northern part of the Member State of Uganda.

The team enjoined participants from the Ministry of Works and Transport (MoWT), Uganda National Roads Authority (UNRA), Uganda Revenue Authority (URA), the Private Sector Foundation Uganda (PSFU), Uganda National Police, and the Uganda National Transporters Alliance (UNTA).

Out of 27 locations planned in the first phase of the survey, the team identified three facilities with enough amenities that can be considered for upgrade into RSS status. These facilities are Northern Corridor Heavy Trucks Parking located at Odokomit near Soroti, BLD Parking yard located at the border with South Sudan in ELegu, and ATS (Angels Truck Stop) located at Yagupino/Wi-anaka village in Purongo.

Other parking yards leased out by the local governments and with potential land for developing RSS include Bua Parking in Naluwerere, Numa Ground parking in Lira city, Pakwach trucks parking, Migeera City Council parking and Lugazi city council parking.

The MoWT Director for Transport, Mr. Benon Kajuna hailed RSS as a program that will enhance road safety and health along the Northern Corridor in Uganda. Other benefits accrued from the system will include, improved transport facilities resulting in a reduction of cost of doing business, generation of income for communities living where the program is being implemented and protection of the environment.

Kenya Gets IMO Support to DEVELOP MARITIME RISK REGISTER

The International Maritime Organization (IMO) is supporting Kenya to develop a National Maritime Security Risk Register. The global agency has trained thirty participants from multiple Kenyan government ministries and agencies with the responsibility for maritime security policy and operational implementation to help the country in achieving this feat. It trained them in a five-day workshop held between 9th and 13th May 2022.

The completed Risk Register will assess the threat, impact, and vulnerability of Kenya's national maritime security interests. This will enable the National Maritime Security Committee to plan and coordinate new work programmes to mitigate these risks. It will also drive the development of the strategic objectives in the Kenyan National Maritime Security Strategy, which will set out Kenya's vision on how the country will safeguard its maritime interests for the next twenty years. Securing and safeguarding the growth of the country's blue economy is critical for economic prosperity, according to IMO. The workshop is part of the European Union- funded project on Port Security and Safety of Navigation in Eastern and Southern Africa and the Indian Ocean, which IMO is delivering with implementing partners Interpol and the United Nations Office on Drugs and Crime (UNODC).

Kenya, like many countries in Africa, has not utilized her marine and aquatic space forsocio-economic development. Western Indian Ocean has resources worth more than Kshs. 2.2 trillion annual output with Kenya's share of about 20 percent.

In March 2022, the State Department for East African Community Principal Secretary, Dr. Kevit Desai stated that Kenya has developed the National Maritime Security Strategy for effective coordination and management of risks and threats in the maritime sector.

This is a high-level strategic policy framework, and a shared vision for securing the country's maritime domain, including its ports and territorial waters. "Maritime security is necessary to create a conducive environment at sea that supports the vision 2030 and the 3rd Medium-Term plan, which is driven by the Big 4 agenda," added Desai.

Kenya's four pillars of the agenda are food security, affordable housing, universal healthcare, manufacturing and job creation. The country is well-positioned to play a key role in enhancing the security of navigation in the Western Indian Ocean, with its strategic location along the major shipping trading route, according to the PS.

Desai further noted that there is a need to protect the maritime space from external and internal threats to the safety of life at sea, property, and free movement of goods through maritime transport, which accounts for 90 percent of the trade in the

Operations cost brought about by movement from office to office has also been reduced significantly and the system has also brought about transparency in tax collection and timely entry approval

region. “Proper governance of maritime space within the Kenyan waters will only work through formulation and establishment of a collaborative framework and joint, comprehensive and coordinated policies and enforcement actions that will ensure the protection of critical infrastructure, services, economic activities and resources at sea,” added Desai.

Kenya has implemented several regional and international protocols governing maritime security to support the sustainable development of the Blue Economy, including the International Ship and Port Facility (ISPS) code and Djibouti Code of Conduct. Kenya has witnessed heightened activity in the Blue Economy since 2015. In 2015, the Kenya Maritime Authority (KMA), the industry regulator, took the National Maritime Conference to Nairobi for the first time and policymakers at the highest level realized what a sleeping giant the industry was.

Understanding how much the Blue Economy (BE) had become a priority for Kenya, the government hosted the first-ever global Sustainable Blue Economy Conference in November 2018, with support from Japan and Canada. About 16,000 delegates drawn from all over the world took part. Key political messages that came from Kenya included the need to mobilise financing for the industry; creation of a blue economy and people-centered strategies on sustainable development; streamlining gender equality in the industry; and strengthening science and research, among other measures, to awaken the giant.

Participants made voluntary financial commitments amounting to $172.2 million in various aspects of the BE, as well as several non-monetary commitments in areas like partnerships and capacity-building. On many occasions since 2015, President Uhuru Kenyatta has shown that Kenya is prioritising the implementation of sustainable blue economy programmes since thesector has the potential to speed-up the country’s development.

Maritime transportation handles over 95 percent of Kenya’s international trade and the country pays more than US$ 3billion annually, to foreign shipping lines and ships agents. This represents an opportunity to implement policies to retain a portion of these earnings and create employment.

With its strategic coastline that lies along major maritime trading routes connecting Africa to Europe, the Far East and the Americas, Kenya has the potential of turning intoa huge economic power house in the region if it fully exploits this natural resource.

Kenya’s water in the Indian Ocean covers a surface area of approximately 230,000 square kilometres and inland water surface of approximately 10,700 square kilometres. Kenya has a coastline of about 640 kilometres and a jurisdictional claim of an ocean that extends 350 nautical miles.

Kenya is central to the regional shipping industry and the Port of Mombasa has remained the largest and most strategic gateway to the Eastern and Central Africa region, serving a combined population of over three hundred (300) million, in a large number of countries in what is commonly referred to as the Northern Corridor. International shipping and ports are key in linking the global supply chain, significant in accessing international markets and thus play an important role in driving national economies. The unexplored potential if fully developed would grow our GDP by Kshs.430 Billion annually.

Kenya, like many countries in Africa, has not utilized her marine and aquatic space for socio-economic development. Western Indian Ocean has resources worth more than Kshs. 2.2 trillion annual output with Kenya’s share of about 20 percent. Marine fishing sub-sector alone had an annual fish potential of 350,000 metric tonnes in 2013 worth Kshs. 90 billion. However, the region only yielded a paltry 9,134

ILO Sets Seafarer's Minimum Wage As KENYA AND TANZANIA UPS TRAINING.

The minimum monthly basic wage for able seafarers is to be raised, following a resolution agreed by a subcommittee of the Joint Maritime Commission (JMC) of the International Labour Organization (ILO).

The meeting agreed to raise the ILO minimum basic wage for an able seafarer to US$658 as of 1 January 2023. The rate will be increased to US$666 as of 1 January 2024 and to US$673 as of 1 January 2025, the ILO announced in a press release on the 18th May 2022.

The JMC is the only permanent bipartite standing body of the ILO. It dates back to 1920 and is composed of shipowner and seafarer representatives from across the globe.

The subcommittee also agreed that the figure of US $673 as of 1 March 2022 should be used as the basis for recalculation and for discussion at the next meeting of the subcommittee, in 2025.

The Maritime Labour Convention 2006, as amended (MLC, 2006) provides that the basic pay or wages of an able seafarer for a calendar month of service should be no less than the amount periodically set by the JMC or another body authorized by the Governing Body of the ILO.

A resolution concerning the ILO minimum monthly basic wage for able seafarers, and setting out the new wage figures, was adopted by the subcommittee and will be submitted to the 346th session of the ILO Governing Body later this year. The MLC, 2006, known as the 'seafarers' bill of rights', entered into force on 20 August 2013, and has been ratified by 101 ILO member States, representing 96.6 percent of the world shipping tonnage.

The JMC is the only permanent bipartite standing body of the ILO. It dates back to 1920 and is composed of ship owner and seafarer representatives from across the globe. This move comes at a time when Kenya is making remarkable strides towards strengthening its global position in the provision of seafarers. In October 2021, Kenya gazetted the Maritime Wage Council under the Labour Institutions Act, 2007, paving the way for better compensation for seafarers.

With this move, the government is aiming at resolving the current disparity in wages of Kenyan seafarers and those from other countries that have an established wage standard to ensure that they receive fair pay for services that they render.

The Wage Council will be a tremendous boost for a sector that has suffered decades of bondage, with the stage having already been set to harness seafarers' training to bridge the existing gaps by upgrading Bandari Maritime Academy (BMA) into a Centre of Maritime Excellence.

Although the players in the maritime industry were upbeat 10 years ago about the authorization that Kenya received from the International Maritime Organisation (IMO) to train seafarers in Kenya, famously known as 'White Listing', the country has lacked sufficient tools to have fully qualified seafarers that can competitively work in foreign-going vessels.

Thousands of seafarers who had earned their pay in dollars were rendered redundant following the introduction of stringent regulations by the IMO. Introduction of the Standard of Training, Certification, and Watch Keeping (SCTW) 1995 code locked out the Kenyan seafarers.

To get Kenya into IMO good books, the country had to review the Merchant Shipping Act- which ratified several international conventions, developed a maritime training curriculum and sought the IMO approval. The law was enacted in 2009. Although Kenya received an IMO clean bill of health, shortly after the new law, Bandari College, as it was then called, lacked vessels to offer the required practical and exit training to fully equip the seafarers for international jobs.

> **Thousands of seafarers who had earned their pay in dollars were rendered redundant following the introduction of stringent regulations by the IMO. Introduction of the Standard of Training, Certification, and Watch-keeping 1995 code locked out the Kenyan seafarers.**

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With the revival of the Kenya National Shipping Lines (KNSL), which has partnered with a leading shipping line - Mediterranean Shipping Company (MSC), Kenyan seafarers will get the requisite training and open new job opportunities for them.

Successful operation of the KNSL will generate new jobs, cut the high import bill, and see the country gain access to over 500 ports across the world. According to the plans, the country intends to train and hire 10,000 seafarers in the next five years. According to Amb. Dr. Nancy Karigithu, Principal Secretary, Department of Shipping and Maritime and Special Envoy for Maritime and Blue Economy, seafarers are the human face of the maritime sector and usually work in physically and mentally draining conditions, thus need to be remunerated well.

"We have actually been blind to the issues, maybe. We are all guilty that we have not addressed this issue earlier and therefore have given space for others (to exploit Kenyan seafarers)," said Karigithu. Kenya, she said, hopes to sell its well established and globally recognized hospitality industry by having Kenyans work in the cruise shipping industry. MSC is the only shipping line that enjoys a fleet of both cargo and cruise liners.

According to Karigithu, the government is making the climate conducive and attractive for even foreigners to bring their ships to be registered in Kenya. This will open up job opportunities for Kenya seafarers. Liberia, which ranks number one in Africa on the number of ships on its register, and comes second only to Panama on revenues earned from sector, keeps an open register that Kenya can emulate.

"A ship has no home and therefore where they are registered need not be where they are owned," said the PS. In 2021, BMA signed an MOU with CMA CGM shipping line to facilitate support for the training and enhancement of skills and competencies in Kenya's maritime sector. Through the agreement, it will develop opportunities to provide sea time opportunities to cadets and shore-based shipping and port operations skill development.

In Tanzania, the government has announced plans to ratify International Maritime Treaties as it eyes to boost its capacity building plan and increase employment opportunities to about 150 sailors annually. Deputy Minister of State in the Prime Minister Office, Labour, Youth and Employment, Mr. Patrobas Katambi revealed this in the Parliament recently in Dodoma and added that the move will help Dar es Salaam Maritime Institute (DMI)'s graduates to land international jobs.

The Deputy Minister gave the explanation when he was reacting to Special Seat MP Amina Ali Mzee's who sought to know how the government uses the Dar es Salaam Maritime Institute (BMI) in curbing unemployment among youth. However, he added that the college also has a special unit known as the "DMI Crewing Agency" which supports youth in various employment-related challenges. "The unit, which started operating in 2018, is registered under the Tanzania Shipping Agency Corporation (TASAC). It conducts training and searches for job opportunities for Tanzanians in and outside the country," he said.

Uganda seals logistics deal FOR TILENGA OIL PROJECT

In May 2022, oil giant Total Energies awarded the French multinational Bolloré Logistics deal to provide the transport and logistics services for the construction of the Hoima-Tanga pipeline. Local firms in Uganda and Tanzania, will therefore provide support service.

The main logistics contract entails the provision of purpose-designed 18-metre trailers to deliver the steel-made line pipe to multiple locations across the entire stretch of the 1,443km-long pipeline within Tanzania and Uganda.

With the construction of the pipeline expected to start from Tanzania, the steel pipe will be imported into the country and transported to a coating plant in Nzega District, where it will receive a thermal insulation coating, the company said.

Uganda is set to produce its first oil as early as 2025 and production in the next five years is expected to jump to 230,000 barrels per day

The French logistics giant added that the transportation of the entire project cargo within the two countries will exceed 30 million truck kilometers, under the strictest health, safety, and environmental standards.

Uganda had earlier picked the port of Mombasa as a strategic partner in handling the million tons of cargo that will be imported for Tilenga Oil project cargo.

This announcement was made in February 2022 after representatives from Uganda visited the Port of Mombasa to inspect its infrastructure in readiness for the arrival of the first consignment in March shortly after the signing of the Final Investment Decision (FID). Kenya Ports Authority (KPA) estimates that it will handle more than 500,000 metric tons of cargo in the new deal.

Over the years, Uganda has been a key trade partner of Kenya with the Port of Mombasa playing a pivotal role in foreign relations. The increased cargo will push up the revenue of the port which handled over 34.54 million tonnes of cargo in 2021.

With the East African Crude Oil Pipeline project recently getting the go-ahead, Uganda is set to produce its first oil as early as 2025 and production expected to jump to 230,000 barrels per day in the subsequent five years; says Global Data, a leading data and analytics company.

Conor Ward, Oil & Gas Analyst at Global Data, comments that: “The Lake Albert oil development in Uganda will be one of the largest oil developments seen in Africa in the last 20 years, expecting to recover over 1.5 billion barrels of oil. The Tilenga and Kingfisher fields will bring significant value to the government of Uganda and the two fields alone could generate up to US$8bn in fiscal revenues.”

Zambia inks deal to become AFRICA'S BIGGEST NICKEL MINER

Zambia is set to enhance its profile as a mineral exporter after the First Quantum Minerals (FQM) launched the Largest Nickel Mine in Africa in the Kalumbila District of North Western Province. The miner is expected to rake in about US $800 million in annual revenues.

With a production capacity of 30,000 tons of Nickel in concentrate annually, Zambia will be among the 10 global leaders in Nickel mining. The project will be the biggest producer in Africa and is expected to create about 18,000 direct and indirect jobs.

FQM pledged to expand its Kansanshi operations at Solwezi, known as the S3 project for about US $1.25bn and also spend the final $100m installment on its $250m Enterprise Nickel project in Kalumbila District of North Western Province.

First Quantum also pledged to expand its Kansanshi operations at Solwezi, known as the S3 project for about US $1.25bn and also spend the final $100m installment on its $250m Enterprise Nickel project in Kalumbila District of North Western Province.

President Hakainde Hichilema, who witnessed the project's launch said that the mining will provide raw materials for the production of electric motor vehicle batteries, which will help the country move towards a clean and environmentally friendly nation.

"The vision of Zambia moving from a brown energy to green energy is slowly becoming a reality with such projects coming on board," Mr. Hichilema said.

According to FQM chief executive officer Tristan Pascal, the Nickel project will also provide about 430 megawatts of wind and solar energy in a few years to come.

The news development comes after the election of Hakainde Hichilema as Zambia's new president in 2021. The new president-initiated reforms in tax regulations making royalties payable by miners getting deducted from corporate tax.

The head of state said the project will also create jobs and household income for the local people as well as generate revenue for the country adding that the money generated through taxes will be channeled to other needy areas such as procurement of desks and drugs.

"This project is important for our country, as it will create jobs for our people and food in homes, this is an important consideration for us when embarking on any project," he said.

There has been heightened activity in Nickel mining in East Africa. In 2021, Tanzania struck a deal with a UK-based mining firm known as Kabanga Nickel Limited. The two agreed to sign a framework agreement to jointly develop the Kabanga nickel project formerly owned by Barrick Gold and Glencore.

Tanzania Ports Authority entices Zambia CAR IMPORTERS WITH NEW TERMINAL

Tanzania Ports Authority (TPA) is banking on its expanded infrastructure to handle more goods destined for Zambia. On February 26th, 2022, TPA send a powerful delegation to Zambia to promote the services it is offering in all its ports and the institutional and infrastructural development that it has undertaken in the recent past to improve efficiency.

Tanzania's envoy to Zambia, Mr. Hassan Simba, who represented the permanent secretary in the Ministry of Works and Transport, led the delegation. The team also attended a special conference opened by Zambia's Transport and Logistics minister, Frank Tayal, bringing together transport stakeholders who handle cargo from Zambia to other parts of the globe.

Ambassador Simba assured participants that the government of President Samia Suluhu Hassan has made significant strides in improving TPA's port services, including major investments in modern equipment and machinery.

Zambia is one of the transit markets served by the Port of Dar es Salaam. The Dar esSalaam corridor, a multi-model route with road and Tazara railway, serves the transit market of Burundi, the Democratic Republic of Congo (DRC), Malawi, Rwanda, Uganda and Zambia, which registered performance of 17.8 million tonnes in 2021.

TPA has finished constructing a new Roll-on Roll-off (RoRo) terminal at Dar es Salaam port with the capacity of handling 600,000 vehicles annually. The new 320-meter berth recently broke both its own handling capacity record and that of all other Eastern and Southern African ports, except South Africa, by accommodating the cargo ship MOL Tranquil Ace to discharge 3,743 cars.

"Given the rise in maritime trade and the ever-increasing market demands, TPA will cope with this fast-growing trend through the creation of capacity ahead of demand through projects geared towards improving capacity and efficiency at the port," TPA Marketing manager, Ms. Lydia Mallya said.

She noted one project - the Dar es Salaam Marine Gateway Project (DMGP), is the first large-scale modernization of the port in its history. Upon completion, Dar port will have the capacity of handling 28 million tons per annum. With Zambia's import-driven economy, which stands to benefit a lot from the upgrade of Dar es Salaam port, the move has excited local entrepreneurs who feel the facility contributes to the country's treasury in terms of taxes and customs duty whenever they import and export goods and services.

Valued for its proximity to the Nakonde-Tunduma border point, the Dar es Salaam port is an asset to many Zambian traders, especially car dealers who depend on it to bring in vehicles from Japan and other parts of the world. Just like car dealers, many Zambian shop owners selling groceries, hardware and second-hand clothes, and medical supplies, among other items, have in the past raised concerns about inefficiencies at Dar es Salaam port.Goods destined for Zambia arrive via South Africa -Durban, Port Elizabeth, Namibia's Walvis Bay port, Mozambique-Beira and Nacala, and Tanzania's Dar port.

Durban, Walvis Bay, and Dar es Salaam are the most commonly used seaports. Imports coming via seaports in Durban, Walvis Bay, and Dar es Salaam can take up to two weeks to reach Zambia, primarily due to delays at border crossings. Virtually all imports are transported by truck and enter Zambia through Chirundu and Livingstone, on the Zimbabwean border, Kazungula, on the Botswana border and Nakonde on the Tanzanian border, and Sesheke on the Namibian border.

The Kasumbalesa border with DRC, Nakonde border with Tanzania, and Chanida border with Mozambique see a great deal of mining sector-related traffic. The volume of imports conducted through airports such as Lusaka's Kenneth Kaunda International Airport is small relative to land-based imports.

Meanwhile, the new government of Zambia is working on fresh strategies to increase its trade within the Common Market for Eastern and Southern Africa (COMESA) region, by closely collaborating with the COMESA Secretariat, which is based in Lusaka, the Minister of Commerce, Trade and Industry Hon. ChipokaMulenga said.

COMESA trade statistics show that Zambia's total exports to the COMESA region increased by 3 percent between 2019 and 2020. The increase in nominal value terms was from US$1.23bn in 2019 to US$1.27bn in 2020. Zambia's imports from the COMESA region declined by 40 percent from 2019 to 2020, from US$700 million in 2019 to US$422 million in 2020.

Major destinations for Zambia's exports into the COMESA region in 2020 were the Democratic Republic of Congo, Malawi, Zimbabwe, Kenya, and Burundi. Zambia's exports to Congo DR in 2020 were mainly sulphuric acid, copper ores and concentrates, waters, cement and electricity. Top export products to Malawi were tobacco and cement. Zambian products that were destined for Zimbabwe were cake and cement. In 2020, Kenya imported raw cane sugar from Zambia worth US$13.4 million.

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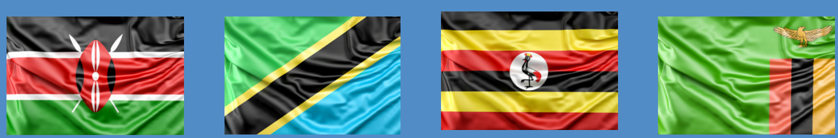

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