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- UNLOCKING AFRICA'S BLUE ECONOMY
- REVIVING AFRICA'S NATIONAL SHIPPING LINES
- ZAMBIA & DRC SIGN BORDER AGREEMENT

THE DEMOCRATIC REPUBLIC OF CONGO JOINS ISCOS

Kenya Tanzania Uganda Zambia DRC

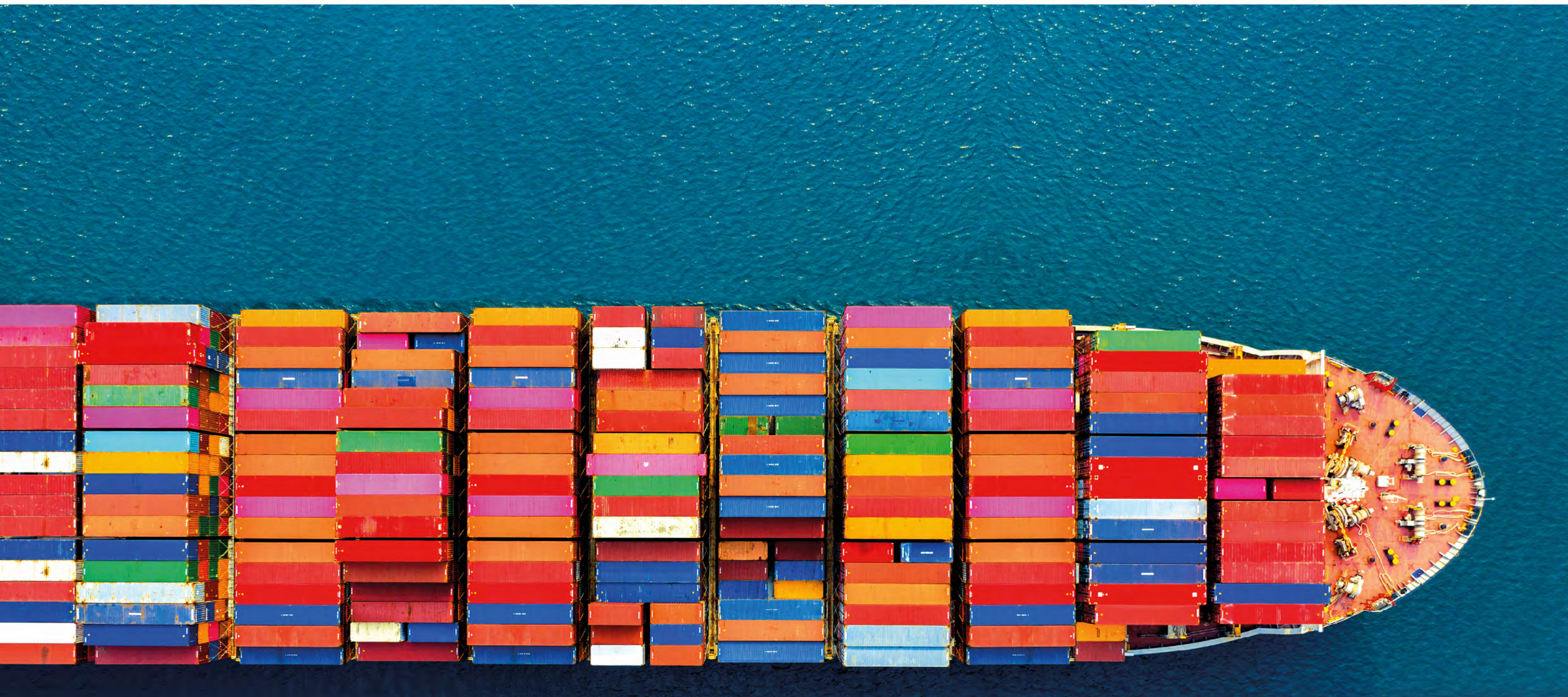
OUR VISION

Africa's centre of excellence for shipping and maritime matters.

OUR MISSION

To promote and advocate for efficient and competitive shipping and maritime services for socio-economic development in eastern, central and southern africa.

Africa's Centre of Excellence for Shipping & Maritime Matters



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Uniting the Shipping and Maritime Interests of the Eastern, Southern and Northern Africa

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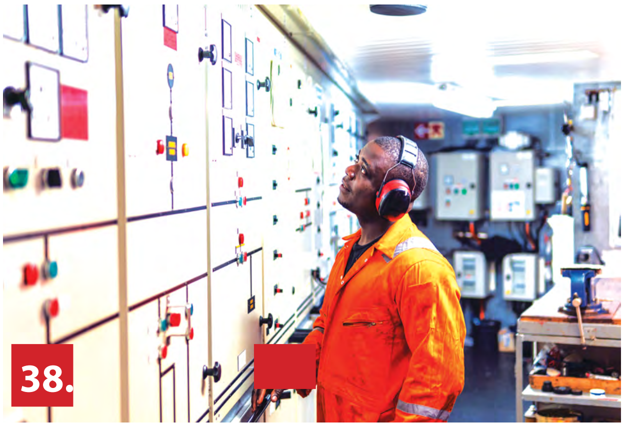


Word From
THE SECRETARY GENERAL

It is with great pleasure that I welcome our stakeholders and partners in the Shipping and Logistics industry to the 6th edition of the ISCOS Shipping & Logistics magazine.

As you may be aware, ISCOS is a regional organisation established in 1967 mandated with the promotion, protection and coordination of the Shipping and Maritime interests in the region.

It gives me great pleasure to inform you that in line with the spirit of greater regional collaboration as embraced by Regional Ministers in Entebbe, Uganda in March 2022 during the 7th ISCOS Assembly of Ministers, the Democratic Republic of Congo (DRC) has now joined Kenya, Uganda, Zambia, and United Republic of Tanzania (URT) as the fifth Member of ISCOS.

DRC membership to ISCOS gives the organisation a greater voice in advocating, promoting and protecting the region's shipping interests.. I want to sincerely thank DRC for her decision to work with the rest of the member states. Since ISCOS has opened membership to other regional states using the Indian Ocean as their maritime passage for imports and exports, I wish to appeal to other regional states who have shown interest to join ISCOS Membership to fast track the process.

DRC membership is timely. The DRC gives an opportunity to the region to connect the Indian Ocean to the Atlantic Trade Corridor and further link the EAC to Central Africa, North Africa, and other continental sub-regions.

As a result, the DRC stands to benefit from this integration by accessing the seaports of Mombasa and Dar es Salaam at competitive rates, and from the larger EAC Common Market and Common External Tariff framework.

In addition to taking care of the overseas and coastal shipping and maritime interests of the Eastern, Central, Southern, Northern African and Indian Ocean States, ISCOS as a regional maritime body takes special interest in the smooth movement of cargo across the region through the various trade corridors.

The organisation, therefore, works very closely with key stakeholders both in the public and private sector as it aspires to achieve its main objective of serving the region and the international community as a one-stop centre.

In line with the IMO designated World Maritime Theme for 2023, 'MARPOL at 50 – Our commitment goes on' the shipping industry is reflecting on green transition of the maritime sector into a sustainable future.

To effectively support this theme of protecting the environment from the impact of shipping, there is a need for organised and collaborated alignment of the regional maritime policy and legislation towards sustainable and green shipping.

Being a global industry, shipping and the logistics chain are instantly affected by global and regional dynamics. This, therefore, calls for enhanced adaptability to cope with the changes in the markets and ensure maritime trade's strategic position in supporting global and regional trade.

Many of these emerging issues are geopolitical, technological, environmental, natural and economic in nature which normally calls for significant change in how the industry runs and is supported.

Above all, successful implementation calls for intergovernmental collaboration. Also, the acceleration of digitisation will require change management at local, regional, and national levels, thus fostering the need to implement a regional institutional framework.

Sustainable shipping would therefore call for more investment in the national and regional shipping lines to gradually provide a formidable alternative to the multinational liners and ensure a stable freight costing regime and most importantly grow intra-trade among regional states.

It is also critical to encourage the sustainable use of inland waterways as a mode of transport within the region for shared lakes such as Victoria and Tanganyika.

This magazine highlights the need for the region to take an active role in the transportation of their cargo and the costs involved. Investing in maritime transport may require huge capital expenditure that may not be easily available, however, this can easily be mobilised through collaboration among regional states or merging individual smaller shipping companies.

ISCOS has been at the forefront of organising regional stakeholder forums to chart a way forward in how its member states can establish national and regional shipping lines. This is a strategic area for regional governments to invest in.

There is also need to create a conducive environment for the private sector to invest through the implementation of favourable regulatory frameworks.

The magazine further highlights key infrastructural projects in the region and its member states such as the Dar Es Salaam Port upgrade, the Tanzania Standard Gauge Railway, Mtwara Port, the Uganda Railways project, and investments by governments in the inland waterways' ports on Lake Tanganyika (Kigoma, Burundi Port, Mpulungu) and Lake Victoria ports (Kisumu , Mwanza, Port Bell).

Adequate infrastructure and efficient services in the multimodal space are very critical in delivering and evacuating hinterland cargo.

In conclusion, I appreciate all the magazine's contributors as their stories and insights have made the publication successful. I wish to immensely thank our member states and key strategic partners for their support in the production of the magazine and in the delivery of our mandate as ISCOS.

"This magazine highlights the need for the region to take an active role in the transportation of their cargo and the costs involved. Investing in maritime transport may require huge capital expenditure that may not be easily available, however, this can easily be mobilised through collaboration among regional states or merging individual smaller shipping companies.

ISCOS Secretary General Mr. Daniel Kiange (right) receiving a submission from the head of the delegation for DRC Mr. Bienfait Manegabe Mushobora to join ISCOS as a full member.

THE DEMOCRATIC REPUBLIC OF CONGO JOINS ISCOS

The Democratic Republic of Congo (DRC) has officially become a full member of the Intergovernmental Standing Committee on Shipping (ISCOS), a regional maritime organization that operates in Eastern, Central, and Southern Africa, making it the fifth member state. This move is significant as it brings many benefits for both the DRC and the existing East African Community (EAC) member states.

With borders that span Tanzania, Burundi, Rwanda, Uganda, and South Sudan, the DRC's inclusion in the EAC strengthens the sense of belonging and attachment to the region in terms of social, economic, historical, cultural, and geographical ties.

The DRC's potential to connect the Indian Ocean to the Atlantic Trade Corridor and further link the EAC to Central Africa, North Africa, and other continental sub-regions is a significant opportunity for seamless trade facilitation.

The inclusion of the DRC in the EAC brings benefits for both the DRC and the existing EAC member states, as the EAC now boasts a combined market-driven economy of 266 million people and a GDP of $243 billion, making it one of the strongest economic blocs in Africa.

Furthermore, the DRC can now access the seaports of Mombasa and Dar es Salaam at competitive rates and benefit from the larger EAC Common Market and Common External Tariff.

In February 2022, ISCOS held a successful 7th Assembly of Ministers in Entebbe, Uganda, which brought together regional ministers from 12 countries, including the four ISCOS member states (Kenya, Tanzania, Uganda, and Zambia), the Democratic Republic of Congo, Ethiopia, Seychelles, Burundi, Rwanda, Mauritius, Malawi, and Mozambique.

In line with one of the resolutions of the 7th Assembly, which emphasized the need for greater collaboration in shipping and maritime activities across the region, the DRC decided to collaborate with other member states to equally reap the benefits of advocating for efficient shipping and maritime activities.

On August 19th, 2022, the DRC formally joined ISCOS as a full member. The Head of the DRC delegation,

Stakeholders at the Lake Tanganyika forum

Mr. Bienfait Manegabe Mushobora, who represented the Minister of Transport, Communication & Opening up, Mr. Cherubin Okende Senga, presented their application to ISCOS Secretary General, Mr. Daniel Kiange, at the Lake Tanganyika Stakeholders' Forum in Bujumbura, Burundi.

The Secretary-General thanked the DRC for its decision to join ISCOS and promised that the organization will continue to promote, protect, and coordinate the shipping and maritime interests of its members and the region at large.

The admission of DRC adds further momentum for ISCOS to discharge its key mandates of promoting, protecting, and coordinating shipping and maritime activities across the region. ISCOS still envisions bringing more member states on board, as it's only through collaboration that the region can attain its desire for seamless trade facilitation.

ISCOS was established in 1967 by Kenya, the United Republic of Tanzania, Uganda, and Zambia, with key mandates to promote, protect and coordinate the shipping and maritime interests of its members and the region at large.

Over the years, ISCOS has played a vital role in promoting efficient shipping and maritime activities by organizing forums for cross-sector engagement among different players in the shipping and maritime sector, engaging with regional, multinational, and overseas shipping service providers to mitigate adverse shipping costs and developments, and supporting shippers through various initiatives such as providing information on best business practices in international trade, assisting member state shippers in resolving issues with service providers, and advocating for the seamless flow of cargo across the logistical chain and multi-modal transport network.

> ***The inclusion of the DRC in the EAC brings benefits for both the DRC and the existing EAC member states, as the EAC now boasts a combined market-driven economy of 266 million people and a GDP of $243 billion, making it one of the strongest economic blocs in Africa.***

STAKEHOLDERS PLEDGE TO IMPROVE SHIPPING & TRADE ACROSS LAKE VICTORIA

Stakeholders from East African countries have vowed to improve shipping and trade across Lake Victoria, which supports the lives of more than 40 million people living in the region. The pledge was made during a recent stakeholders' forum held in Kampala, Uganda.

Trade is a key component of any economy, and the East African Community (EAC) is no exception. For years, Uganda, Kenya, and Tanzania have relied heavily on Lake Victoria, the largest freshwater lake in Africa.

However, trade through the lake has faced numerous challenges, including outdated vessels, limited navigational aids, and inadequate safety measures. As a result, major export and import cargo has shifted to road transportation, making water transport less attractive.

According to the stakeholders, the full potential of inland waterways in providing a competitive means of transport for cargo and passengers has not been fully exploited. To address this, the stakeholders acknowledged the need for collaboration between governments, the private sector, and non-governmental agencies.

They highlighted the importance of inclusivity for all stakeholders and policy-makers across the lake in achieving a seamless flow of trade and traffic.

Recent research and physical inspections have highlighted the challenges facing the different ports of Lake Victoria. For example, the Kisumu port had

water hyacinth that had covered the entire port area of about 3 square km.

The port has since gone through a number of renovations that have increased traffic, including well paved parking areas, a sufficient container yard, adequate offices and a renovated quay of 350m in length in addition to about 90m berthing space along the railway wagon ferry pier/link span.

Uganda's Port bell and Jinja ports were experiencing poor drainage systems and overgrown hyacinth, posing health risks for workers and crew.

Tanzania's ports also faced several challenges, including poor radio communication systems at the Mwanza South port, a lack of cargo handling equipment at the Mwanza North port, and a connecting road that needed remedial work.

Despite these challenges, efforts are underway to improve port facilities, transportation vessels, and safety measures.

The governments of Uganda, Kenya, and Tanzania have agreed to support the continued running of the Stakeholders' Forum for the Facilitation of Shipping and Trade across Lake Victoria.

The government of Uganda plans to establish a maritime training institute under Busitema University to offer internationally accredited training to seafarers.

Regional organizations such as the East African Community (EAC) and the Lake Victoria Basin Commission (LVBC) are also working to promote regional integration and improve trade and transportation infrastructure in the entire region.

Continuous monitoring of the levels of services at the ports, identification of differences in policies, procedures and regulations, and harmonization of policies are being conducted to identify and advise on areas of improvement and sharing reports with recommendations to stakeholders.

"*Regional organizations such as the East African Community (EAC) and the Lake Victoria Basin Commission (LVBC) are also working to promote regional integration and improve trade and transportation infrastructure in the entire region.*

GEARING UP FOR GREEN SHIPPING

IMO Launches Future Fuels Project to Accelerate Shipping Decarbonization

As part of its efforts to decarbonize international shipping, the International Maritime Organization (IMO) has launched a new project to assess the availability and preparedness of low and zero-carbon marine fuels and technology.

The Future Fuels and Technology for Low- and Zero-Carbon Shipping Project (FFT Project) is being implemented by the IMO in partnership with funding from the Republic of Korea, and is expected to run until 2025.

The project consists of three main phases: a study of current and projected global uptake and dissemination of low- and zero-carbon marine technology and fuels, identification of incentives and regulatory mechanisms to promote their uptake, and promotion of technological cooperation through pilot projects and outreach activities.

The first phase of the project will focus on assessing the state of readiness and availability of low- and zero-carbon ship technology and marine fuels. The study will evaluate demand as well as capacity developments related to low- and zero-carbon technologies and assess their commercial and technological preparedness. The research will continue until June 2023 and is funded by the Voyage Together Trust Fund and IMO's GHG TC-Trust Fund.

The results of the project are expected to inform discussions on GHG reduction goals in the Revised IMO GHG Strategy, which aims to phase out GHG emissions from international shipping as soon as possible. The IMO's Initial Strategy Scenario, Net Zero Emission Scenario, and Zero by 2050 Scenario will be used to analyze the technological preparedness and readiness of low- and zero-carbon marine fuels and technology.

The Global Implications

The trade spat between the United States (US) and China over solar panels has rolled into a new phase that makes for an interesting reading over its effect on global supply chains of solar panels and the shift towards renewable energy technologies.

Solar energy is a critical cog in efforts to reduce future greenhouse gas emissions. Scientists estimate that offsetting 50 percent of all future growth in thermal electricity generation by solar would reduce annual global carbon dioxide emission from projected increased levels by 10 percent in 20 years and 32 percent in 50 years.

China dominates the global supply chain of solar panels and commands 84 percent of the global panel manufacturing capacity, according to the International Energy Agency (IEA).

Beijing's leadership role is owed to lower production costs, according to the IEA, which estimates that costs in China are about 10 percent lower than in India, 20 percent lower than in the US and 35 percent lower than in parts of Europe.

A major development in the global solar panel market occurred in July last year when the US lifted duty on solar components from South East Asian countries including the Kingdom of Cambodia, Malaysia, the Kingdom of Thailand, and the Socialist Republic of Vietnam for a period of two years but retained the duties on components from China.

The US imports most of its solar modules, with those imported from Southeast Asia making up approximately three-quarters of imported modules in 2020.

Washington said that it had been unable to import solar modules in sufficient quantities "to ensure solar capacity additions necessary to achieve our climate and clean energy goals, ensure electricity grid resource adequacy, and help combat rising energy prices". "Immediate action is needed to ensure in the interim that the United States has

of the US-China Dispute

access to a sufficient supply of solar modules to assist in meeting our electricity generation needs," White House said of the waiver in a statement.

North America commands 17.6 percent of the global demand for solar panels but produces just 2.8 percent of the global supply forcing it to rely on imports from China and other Asian countries.

Beijing has meanwhile been pushing for the US to adopt "free trade" by removing duties on Chinese solar modules arguing that removing protectionism would facilitate free trade in new energy products and "contribute to the global development of a low greenhouse gas emission economy."

"The US government insisted on extending the section 201 measures despite strong opposition from related parties at home and abroad, and they not only do not help the healthy development of the domestic US industry, but also distort the normal order of international trade in photovoltaics as a new energy product," said China's Ministry of Commerce in a statement.

The restriction of Chinese solar modules from the US market has forced Beijing to look for alternative markets for its components, including growing its local demand for solar photovoltaic, and increasing supply to Europe, Africa and other markets.

This comes at a time when increased investments in production of solar components and improvement in technology have seen the cost of solar modules fall to a record low giving a significant boost to increased adoption of renewable energy technologies.

China is the global leader in investment in solar technologies, making up almost two-thirds of global large-scale solar investment. In the first half of 2022 for instance, Beijing invested $41 billion in its solar industry, a 173 percent increase from the same period in 2021. Data released last year by the168-memberInternational Renewable Energy Agency (IRENA) shows the average global cost of

> *The restriction of Chinese solar modules from the US market has forced Beijing to look for alternative markets for its components, including growing its local demand for solar photovoltaic, and increasing supply to Europe, Africa and other markets.*

2021, a 6.4 per cent drop from a unit cost of $916 per kW in the previous year.

The unit cost of installing solar plants has been on a downward spiral over the past decade – from as high as $4,808 in 2010 – which has increased the uptake of solar as a cheaper and cleaner source of energy."Solar PV total installed cost reductions are related to various factors. The key drivers of lower module costs are the optimisation of manufacturing processes, reduced labour costs and enhanced module efficiency," said IRENA. Further, despite having abundant sunshine all-year round, about half of sub-Saharan Africa's population today does not have access to electricity. Those who do have electricity pay on average nearly twice as much as consumers elsewhere in the world signaling the necessity for greater investment in cheaper alternative energy technologies.

Power shortages cost the continent about 2 to 4 percent of the gross domestic product (GDP) a year, according to the International Monetary Fund (IMF). Further, the sub-Saharan Africa population is expected to grow from 1 billion in 2018 to more than 2 billion in 2050 with the demand for electricity projected to expand 3 percent a year, which underlines a huge market potential for affordable solar modules.

"Meeting that demand with current energy sources would have severe consequences for health and the environment. The current energy mix in Africa is based mostly on burning coal, oil, and traditional biomass (wood, charcoal, dry dung fuel)," says the IMF in an analysis that called for greater adoption of solar energy.

NAVIGATING THE FUTURE:
Insights from the regional shipping line forum

The National and Regional Shipping Lines Stakeholders' Forum was held at the Four Points by Sheraton Hotel in Dar es Salaam, Tanzania, from February 27th to March 1st, 2023.

The forum was attended by representatives from the United Republic of Tanzania, the Republic of Kenya, the Republic of Uganda, the Democratic Republic of Congo, the Republic of Burundi, Nigeria, and Ivory Coast.

The forum was convened to discuss issues affecting national and regional shipping lines in the East, Central, and South African region.

The stakeholders acknowledged the importance of shipping in moving over 90% of global trade each year, connecting very distant importing centers to exporting ports at the lowest rate per metric ton moved by any transport mode.

They also recognized that the movement of bulk and heavy cargo like minerals and raw materials and

staples like grain around the world is only made possible by shipping.

The stakeholders noted that shipping is the greenest of all modes of transport, with mega ships emitting only 3 grams of carbon dioxide per ton-kilometer moved as compared to road which emits 80 grams per ton-kilometer. They also acknowledged that with the global drive of cutting back on greenhouse emissions, shipping is poised to even go greener in the near future.

Over 1.3 billion tons of cargo is shipped in and out of Africa as a continent, and almost all of it is carried by multinational liners domiciled outside Africa. In particular, over US$20 billion is paid annually in freight for the import and export of cargo in the region, with little or no share going to national and regional shipping lines.

The stakeholders admitted that of the countries with the most merchant ships, the top suppliers of merchant ships' seafarers, and the biggest ship-building states, Africa does not have any, and that much as Liberia is the second-largest flag state by tonnage, almost all the vessels flying her flag are not owned by Africans.

The stakeholders noted that existing national and regional shipping lines are operating more on inland waterways and as feeder lines, and their capacities are limited. Access to sustainable financing and manning to venture fully into scaled international shipping trade is also an issue.

In some circumstances where there is sufficient cargo to move and government protection, the existing carrying capacity would only handle less than 10% of the cargo, with the rest being handled by established multinational liners. The stakeholders agreed that meaningful collaboration among national and regional shipping line stakeholders can enhance exchange and sharing of information at operational and policy-making levels.

This can facilitate the harmonization of legislation, policies, practices, and procedures across the region, attracting requisite investment in the sub-sector, consolidating ideas of the formation and operation of a regional and national shipping lines, and driving a culture of continuous improvement of the operations of the national shipping lines.

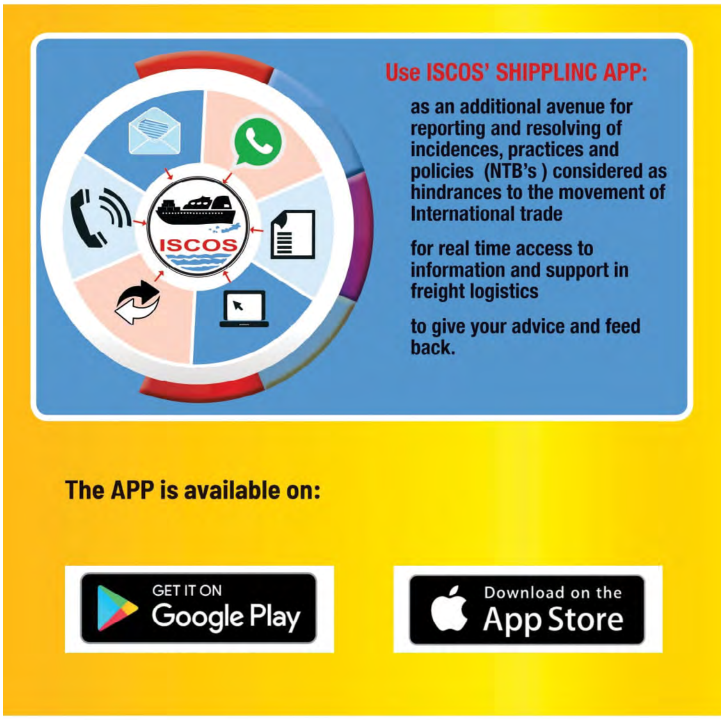
The forum noted that ISCOS' mandate is to promote, protect and coordinate the shipping and maritime interests of member states and the entire East, Central, and South African region. ISCOS has conducted numerous studies intended to guide industry growth and is leading the development of a regional maritime transport policy, which intends to fast track the development of a robust regional maritime and shipping industry.

The stakeholders highlighted the following as some of the issues affecting the operations and hindering the growth of the national and regional shipping lines:

. Lack of a dedicated agency to provide coordination of the national and regional shipping lines in the region.

. Cargo, especially raw materials generated in the region for export that was not finding its final markets due to the lack of local and regional shipping capacity, and the per Capita seaborne trade generated and registered on the African continent and in the region.

The forum ended with a resolution to create a dedicated agency to provide coordination of the national and regional shipping lines.



Leading the Way:
SHIPPING INDUSTRY EXPERTS DISCUSS FUTURE STRATEGIES AT FORUM

The Intergovernmental Standing Committee on Shipping (ISCOS) recently held a Stakeholders' Consultative Forum with the Shipping Lines/ Maritime carriers serving the Eastern and Southern Africa region.

The forum aimed to address the challenges faced by the shipping and maritime sector, especially since the outbreak of the COVID-19 pandemic and other international developments.

The stakeholders included shipping lines/agents, maritime administrations, shippers' councils, freight forwarders, revenue authorities, ports authorities, and ports operators. Among the shipping lines represented were Maersk, MSC, CMA-CGM, I. Messina, Gulf- Evergreen, Express Shipping and Logistics, Kenya National Shipping Line, WOSAC, Kenya Ships Agents Association (KSAA).

The forum recognized that the region's shipping and maritime sector is composed of several players, both regional and international, each playing a vital facilitating the movement of cargo to and from the region. However, sector challenges have been compounded by the outbreak of the COVID-19 pandemic and other international developments, such as the Ukrainian–Russia War, revealing the fragility of the current logistics system and causing disruptions in the supply chain, among other factors. The shipping lines serving the region were commended for doing a tremendous job in the movement of the region's sea-borne trade and continue to be valuable partners in trade facilitation. However, concerns were raised by freight forwarders regarding the various surcharges introduced by some shipping lines during the COVID-19 pandemic, especially for the port of Mombasa, which are still in force today and an additional cost to the shipper.

The stakeholders recognized that pursuing unilateral approaches to issues affecting the region is not the way to operate an industry like shipping, which is multi-stakeholder driven and international in nature. Collaboration and joint coordination of activities of players in the sector are vital in the seamless flow of cargo to and from the region.

As a Regional Shipping and Maritime Organization, ISCOS can and should provide the opportunity for the region to continually collaborate and consult on matters affecting the sector.

ISCOS can provide a platform for harmonization of policies and practices across the region, set a stage for having common approaches to industry challenges, and encourage an inclusive and collective approach to matters affecting the region's shipping sector.

The COVID-19 pandemic disrupted the supply chain world over, causing congestion at major ports, high costs of bunkering leading to high freight rates, labor shortages due to the crew change crisis, and long ship turnaround times at ports due to reduced labor and port operational capacity.

The demand and supply of maritime transportation were significantly impacted by container shortages due to delayed returns of empty containers linked to restriction of movements from the imposed lockdowns and reduced port operational capacity.

The forum listed some of the challenges and adverse developments in the shipping and maritime sector, particularly in the movement of seaborne trade, some of them arising from or amplified by disruptions in the supply chain caused by global issues like the COVID-19 pandemic and the Russian/Ukrainian conflict.

These included the absence of an inclusive regional framework for engagement and collaboration among stakeholders of seaborne trade, leading to diverse approaches for common issues, rising freight rates especially since the outbreak of the COVID pandemic, and port congestion.

The stakeholders recognized the vital role that the region's maritime sector has to play for adequate exploitation of the Blue Economy resources for the development of the region's economies.

The forum highlighted the need for continued collaboration and coordination among stakeholders in the sector to address the challenges facing the shipping and maritime sector, and ISCOS was identified as an important organization to facilitate this collaboration.

REVIVING AFRICA'S NATIONAL SHIPPING LINES: A KEY TO LOWERING FREIGHT COSTS

Plans to revive national or regional shipping lines in Africa have gained steam with experts and policymakers saying it was the only way to lower the cost of freight on the continent.

In a meeting held in Dar es Salaam from February 28 to March 1 2023, Tanzania's Transport Permanent Secretary, Gabriel Migire said the Africa-owned ships will create jobs for her trained seafarers.

"As East Africa nations and Intergovernmental Standing Committee member states we have every reason and opportunity to participate in that business," he said.

According to the Intergovernmental Standing Committee on Shipping (ISCOS) most of the cargo in Eastern, Southern, Northern, and Indian Ocean States is shipped by multinational liners.

ISCOS Secretary General Daniel Kiange said at the conference that, in 2021, Africa loaded 762.4 million tonnes onto the ships and discharged 553.2 million tonnes of cargo in all of its ports, most of which was handled by international liners.

"Sadly, the regional and national shipping lines are handling less than 5 percent of this cargo leaving the entire bulk with the multinational liners," said Mr. Kiange.

He said this trend has increased the region's susceptibility to unfair shipping terms which forces shippers to pay exorbitant freight rates that are reflected in the cost of goods.

According to the ISCOS boss, Africa paid a whopping $762.4 billion in freight charges to transport her cargo on the multinational liners in the period ending 2021.

"Assuming an average freight rate of $1000 per container, it means that African cargo accounted for 762,400,000 X 1, 000=762,400,000,000 US dollars," he said.

He said with increasing GDP annually, the prospect is that cargo volumes will continue in a positive trajectory, hence a call for increasing carrying capacity by regional shipping liners.

He said that a revival or establishment of national or regional shipping lines will also create jobs for millions of trained seafarers and earn the continent foreign exchange. “In 2019, the Philippines earned $6.5 billion from its seafarers. However, this fell by 2.8% in 2020, to $6.4 billion,” said Mr. Kiange.

In the 1940s and 50s, it is documented that several national and regional shipping lines emerged in Africa to mitigate incessant freight rate hikes by multinationals.

According to scholarly articles, the pioneer carriers were also established to arrest capital flight, train citizens in seagoing jobs, and as a sign of economic nationalism.

Kenya, Tanzania, and Uganda established the East African National Shipping Line (EANSL), headquartered in Mombasa but dissolved it in 1980 after the collapse of the East African Community (EAC).

The three nations, reportedly, established the carrier as a response to the high shipping cost in 1968, which was $ 56m equivalent to $500 billion today.

In 1980, EANL Shipping Line was dissolved and Kenya and Tanzania, like other countries in Africa started the quest to establish national carriers.

Six years earlier, Belgian Congo Liner which had been established in 1946, is now the DRC, had also been nationalized as a wholly state-owned company.

The story was similar across the continent. Nigeria’s National Shipping Line (NNSL) and Ghana’s Black Star Line (BSL) also ended their joint venture.

But the national liners failed to compete with the multinational ones due to mismanagement and the few ships they acquired either died or were auctioned due to debts.

In Tanzania, Zanzibar Shipping Line has no ship of its own after it recently disposed of MV Maendelo, MT Ukombozi, and MV Mapinduzi which were in a neglected state.

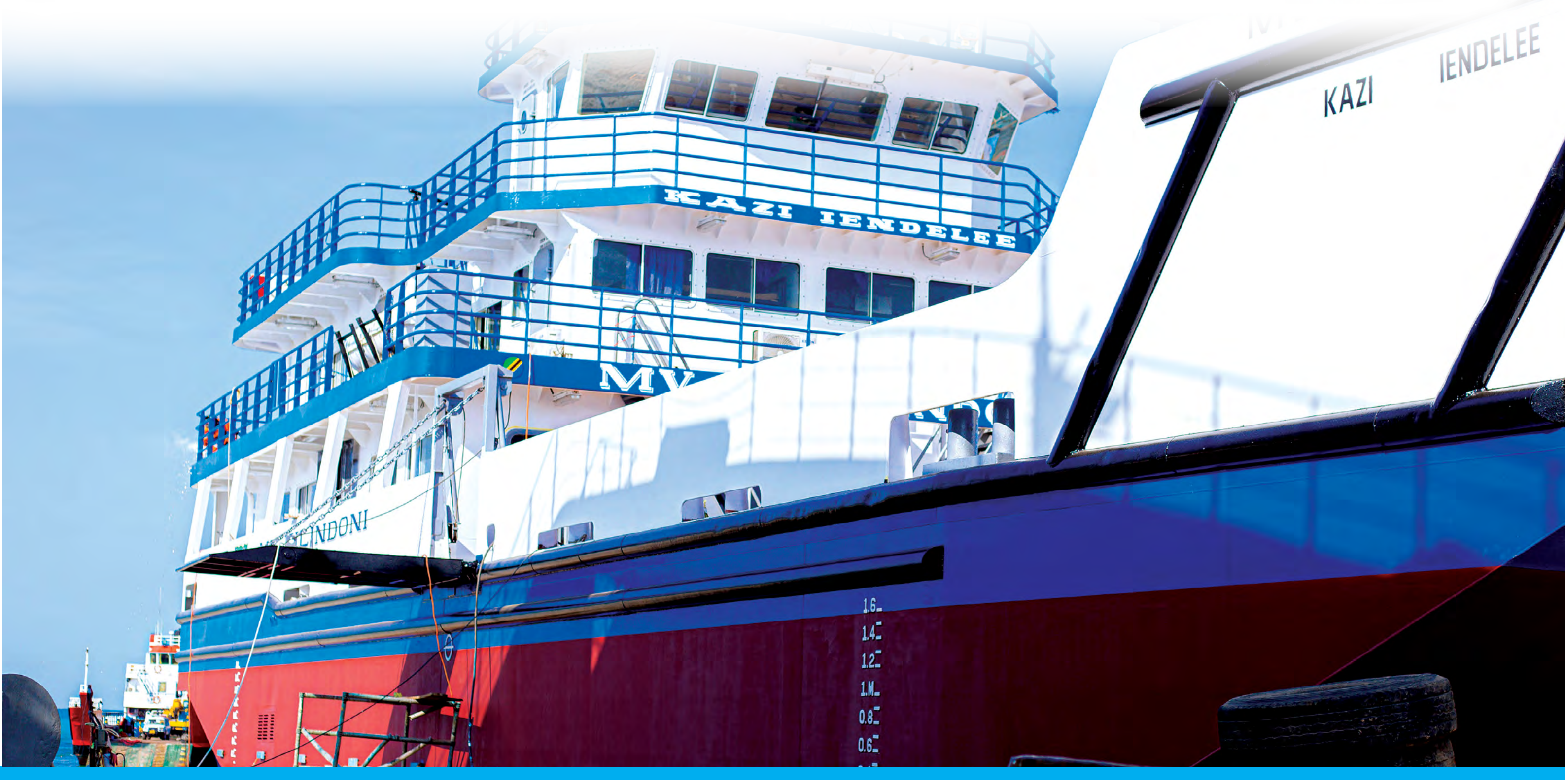
Kenya National Shipping Line (KNSL) also remains a shipping line without a vessel. For years, KNSL has acted as a cargo consolidator in Mombasa Port.

In West Africa, in the late 1980s and early 1990s, Nigerian and Ghanaian ships were also repeatedly arrested in European ports for commercial debts and drug trafficking.

“Sustainable shipping would call for more investment in the national and regional shipping lines to gradually provide a formidable alternative to the multinational liners and ensure a stable freight costing regime and most importantly grow the intra-trade transactions amongst regional states,” said the ISCOS boss.

He added: “Our dream of Africa Continental Free Trade Area (AfCFTA) will not be realised as long as we continue to depend on foreign ships to transport our cargo.”

Mr. Kiange said that the COVID-19 experience should serve as a wake-up call for Africa to build their shipping and maritime capacity.



Africa's Maritime Transformation Starts with Africans Owning Ships

By Brian Gicheru

It was a step in the right direction when African Free Continental Trade Area (AfCFTA) came into force in January 2021.

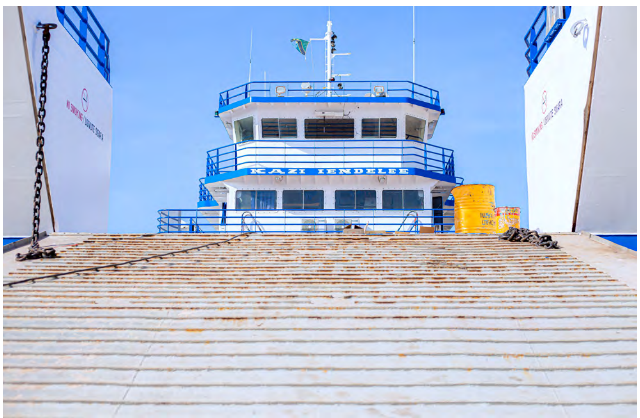
It was hailed as the world's largest new free trade area since establishment of the World Trade Organization (WTO) in 1994. While this great initiative continues to gain momentum across the continent, it is imperative to highlight the immense role that a Pan-African shipping line would have in actualizing AfCFTA.

UNCTAD recently estimated that AfCFTA could boost intra-African trade by up to 33 percent, a major opportunity for shipping lines looking to expand their African regional services.

Further evidence is found in a study by the UN Economic Commission for Africa, which indicates that African cargo transported by vessels would increase from 58 million to 132 million tons by 2030, with the implementation of AfCFTA.

Based on this, the African maritime fleet is projected to increase by 188 percent for bulk carriers and 180 percent for container vessels.

While noble initiatives such as the African Shipowners Association have been advocating for a larger African shipping fleet, progress is still slow.



Only a minimal amount of the vast African maritime trade is done through African owned ships.

This could explain why Africa was the biggest loser during the Covid-19 pandemic, with global liners shifting their focus to the profitable transpacific and transatlantic routes. Alphaliner estimated that liner services in 2021, to and from Africa declined by over 6.5%, with some carriers shifting large boxships that serve African routes.

Indeed, Africa should not wait for another pandemic to suffer the same fate. Most importantly, will the AfCFTA facilitated trade be conducted on foreign-

owned or chartered vessels?

I reckon some forward-looking entrepreneurs are already seizing the untapped business opportunity that is African ship ownership. Last year, an emerging African infrastructure developer, Arise Integrated Industrial Platforms (AIIP), launched a new pan-African shipping line ostensibly to support the African commodity growth. Arise shipping said it had plans to create a fleet including bulk carriers, tankers and specialized vessels.

"As many African countries develop their own processing and manufacturing capabilities to complement growing commodities exports, there is a strong demand for a bespoke shipping and logistics company that understands Africa and its needs," commented Captain Pappu Sastry, CEO of Arise Shipping and Logistics.

Similarly, South Africa's Department of Transport has released plans to establish a national shipping line inspired by the supply chain bottlenecks during the pandemic.

The proposal is to create a company that could engage in a range of services including container shipping, bulk cargo, tankers and feeder services to

other neighboring coastal countries.

South Africa generates a large amount of export cargo, and solely relying on foreign shipping companies is a huge supply chain vulnerability.

Ethiopia Shipping and Logistics (ESL) Company is a perfect example of a Pan-African shipping line that has weathered the tough competition in the region against global carriers. Established in mid-1960s, ESL now manages almost a dozen general cargo vessels.

For the past three years, the Ethiopian government has entrusted ESL with delivery of fertilizer shipments to the country, helping to transport the cargo within a short time frame.

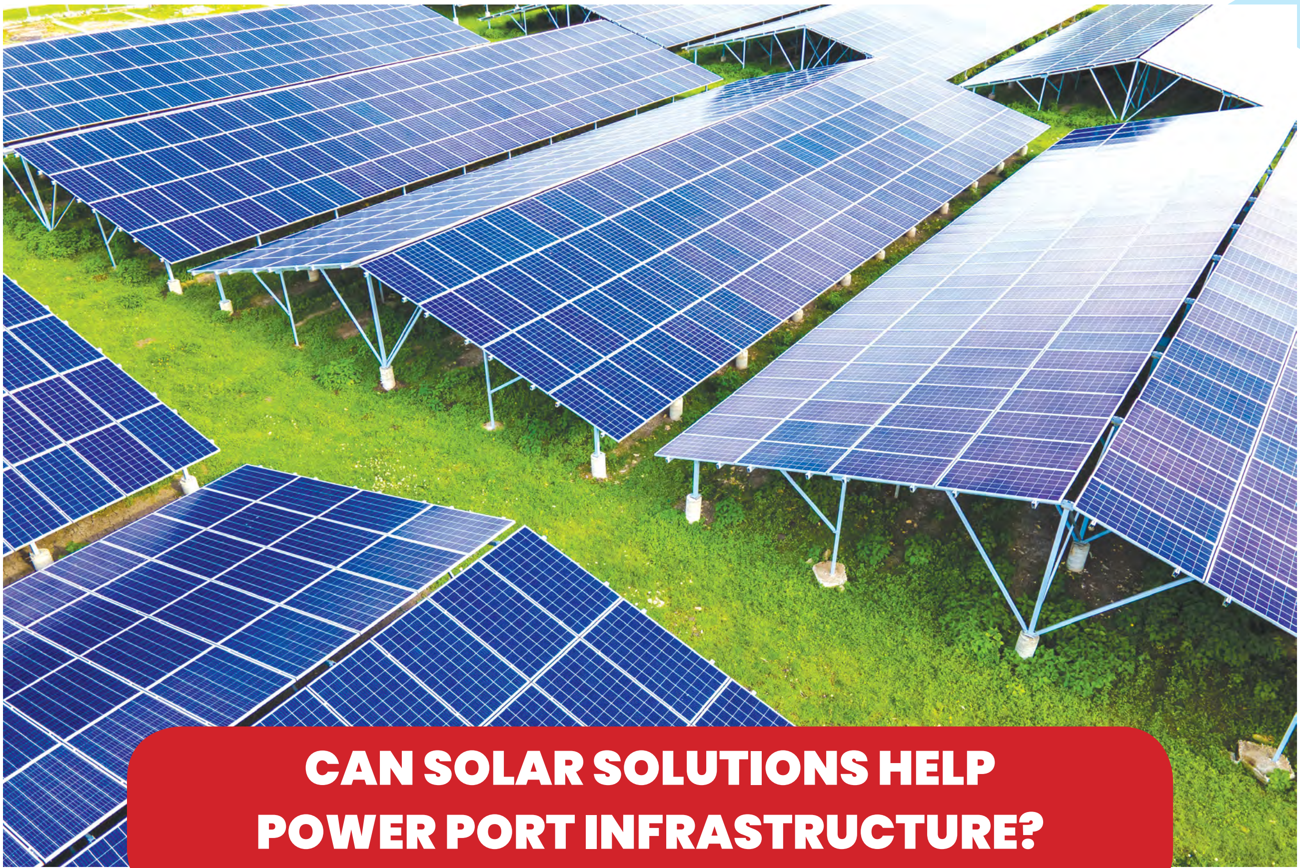
In addition, owning a national shipping line puts Ethiopia in an advantageous position, as it can bypass the ever-volatile dry bulk chartering market. Thus, critical cargo such as fertilizer are procured and delivered in time to farmers.

However, I must note that governments have not been adept in managing strategic national shipping lines. The long history of mismanagement at Kenya National Shipping Line (KNSL) and the Nigerian National Shipping Line (NNSL) are cases in point.

In a recent shipping stakeholders meeting organized by ISCOS in Dar es Salaam, the Executive Secretary of the African Shipowners Association, Ms. Fumni Folorunso, implored ISCOS member states to come up with a policy on ship ownership to support the shipping industry.

This means incentivizing private companies and shippers to own vessels. In fact, it is also a great way of saving foreign exchange spent to pay exorbitant freight rates to foreign shipping companies.

"As many African countries develop their own processing and manufacturing capabilities to complement growing commodities exports, there is a strong demand for a bespoke shipping and logistics company that understands Africa and its needs,"



CAN SOLAR SOLUTIONS HELP POWER PORT INFRASTRUCTURE?

In February 2023, the Kenya Ports Authority (KPA) announced its plans to reduce dependence on fossil fuels and transition to renewable energy by installing a 10-megawatt solar power plant at the Mombasa port.

This decision was made following a feasibility study conducted by ABL Group, a marine consulting firm, which recommended the need for the port to produce its own green electrical power.

A separate study conducted in 2013 also established the facility's requirement for huge amounts of electricity from the national grid, which prompted the idea for the facility to generate its own power.

The KPA's policy shift aims to reduce pollution at ports by requiring berthed vessels to turn off their auxiliary engines and plug into an offshore power source, known as Cold Ironing.

ABL Group recommended the installation of two brownfield sites with photovoltaic cells to generate the power for port operations and incoming/ berthed vessels.

This move is crucial as berthed ships at ports contribute to 25% of their emissions, according to a study conducted in 2021.

By plugging into onshore power, berthed ships can reduce their carbon, gas, and particle emissions, as well as noise pollution and nuisance caused by vibration when running on fossil fuels.

However, the initiative requires adequate financing and technology investment to ensure consistent and continuous power supply.

The installation of solar power at the Mombasa port will enable the Kenya Port Authority to operate clean facilities, reduce operational costs, and become energy-autonomous. This move is expected to set a precedent for other ports in East Africa to follow.

RE-EMERGING PORTS AND LOGISTICS SECTOR IN AFRICA

A gateway for foreign investors

The ports and logistics sector in Africa has been undergoing a rapid transformation in recent years, with many countries investing heavily in modernizing their infrastructure and adopting more efficient logistics practices.

The African continent has long been recognized as a rich source of natural resources, with vast reserves of minerals, oil, and gas.

However, for many years, the lack of adequate infrastructure has been a significant barrier to realizing the full potential of these resources.

In recent years, nonetheless, the re-emerging ports and logistics sector has become a key driver of foreign investment in the continent, with countries such as the Democratic Republic of Congo (DRC), Zambia, and Tanzania leading the way.

This renewed focus on the sector has been driven by a number of factors, including increasing trade volumes, the rise of e-commerce, and the need to support economic growth and development.

As a result, Africa's ports and logistics sector is now seen as a key gateway for foreign investors looking to tap into the continent's burgeoning markets.

DRC, Zambia, and Tanzania have been investing heavily in their ports and transportation infrastructure, with a focus on modernizing and upgrading their facilities to meet the demands of modern trade.

The DRC government has invested in the development of new ports and the rehabilitation of existing ones, including the Port of Matadi, which is the country's largest port and a key gateway to the rest of the continent.

The port serves as a gateway to the DRC's vast hinterland, including the capital city of Kinshasa, and handles about 80% of the country's external trade. According to the World Bank, the total value of exports and imports of goods for the DRC pre COVID-19 was approximately $9.9 billion.

In 2020, the DRC Minister of State and Planning, Elysée Munembwe, stated: "Without infrastructure, there can be no sustainable economic development. The government is determined to improve the country's infrastructure, particularly in the areas of roads, railways, airports, and ports.

This will not only improve trade and logistics but also attract foreign investment and create jobs for our people."

Tanzania's Dar es Salaam port on the other hand made history by receiving the largest consignment of vehicles ever in its history.

The Frontier Ace ship, carrying 4,041 vehicles from Japan, docked at the port on April 8th 2022, setting a new record in the harbor's history. This is a result of massive investment by the government, which is slowly bearing fruit.

The construction of a new roll-on, roll-off terminal at the port has boosted its capacity to handle much larger vessels with efficiency, and to improve the turnaround time for ships coming through. The government has continued to improve the port's efficiency in order to attract more local and foreign customers in East Africa.

The improvements made at the port have enabled them to break their own record of receiving the largest consignment of vehicles. The port received a total consignment of 181,524 vehicles from March 2021 to February 2022, which is an increase of 38 per cent from the corresponding period in the year 2020/2021.

From March 2021 to February 2022, the port managed to collect 1,018bn/-, which is 95.5 per cent of the targeted collection of 1,067.41bn/-, an increase of 18.8 per cent from the corresponding period of March 2020 to February 2021.

"When we increase efficiency in offloading and clearing of vehicles at the port, it will help to increase the number of customers because long clearance time discourages port users," said the Tanzanian minister for works and transport Prof. Makame Mbarawa.

Zambia is enjoying the significant strides made by Tanzania in trade, logistics, and maritime.

The landlocked country in Southern Africa heavily relies on its road network to Tanzania for trade and logistics.

“Without infrastructure, there can be no sustainable economic development. The government is determined to improve the country’s infrastructure, particularly in the areas of roads, railways, airports, and ports.

However, recent developments indicate that Zambia is determined to change this and expand its transport and logistics capabilities.

One significant development is the implementation of the African Continental Free Trade Area (AfCFTA), which could increase opportunities for trade and investment. By joining the agreement, Zambia has access to a market of over 1.2 billion people across Africa, which could boost the country’s trade and investment prospects.

The agreement aims to reduce tariffs and other trade barriers, which could lead to increased intra-African trade and economic growth.

Zambia is also participating in the “Belt and Road Initiative” (BRI), China’s global infrastructure development program. The BRI aims to connect Asia, Europe, and Africa through a network of ports, railways, and highways, which could improve trade and transportation. Zambia has been a beneficiary of this program, with significant investment in its infrastructure, including transportation and energy projects.

Inland waterways such as the Zambezi River also present opportunities for trade and transportation in Zambia. The Zambia government is exploring the potential for using these waterways for shipping and logistics, which could reduce the country’s reliance on its road network. The Zambezi River is the fourth-longest river in Africa and provides access to several countries, including Angola, Botswana, Namibia, and Zimbabwe.

By implementing the AfCFTA, participating in the BRI, and exploring the potential of inland waterways, Zambia is positioning itself as a competitive destination for trade and investment in the region.

Enhancing Regional Trade in the EAC Bloc through Rail and Port Networks

The East African Community (EAC) is a regional intergovernmental organisation comprising six countries in East Africa. The bloc has a combined population of over 177 million people and an estimated GDP of $238 billion.

Despite these impressive numbers, the region still faces significant challenges in boosting trade and economic growth.

One key solution to this problem lies in the development of a robust rail and port network to facilitate the movement of goods across the region.

Rail networks are vital for transporting goods efficiently and cost-effectively and the EAC aims to have a well-developed rail network that connects major cities and ports.

The rail and port network are essential in moving goods from one point to another within the region, and it also links the EAC region to other markets such as the Indian Ocean ports.

“Infrastructure is an enabler in the EAC region as it helps to transport farm produce and different goods to the market,” said Hon Rashid Kawawa, the chairperson of the Tanzania Parliamentary committee.

However, the current rail and port infrastructure are not adequate to handle the growing trade volumes, and there is need to invest in modernising and expanding the networks.

For this reason, governments within the EAC bloc are taking steps to improve these critical infrastructure systems.

One noticeable development is the expansion of the Port of Mombasa. According to estimates made as of March 15th 2022, the port of Mombasa is set to accommodate roughly 1.732 million twenty-foot equivalent units by 2023, indicating an increase from the present capacity of 1.42 million.

Over the course of the next decade, it is anticipated that the port will handle around 47 million tonnes of cargo, a rise from the current 30 million tonnes. By the year 2047, it is predicted that the port’s capacity will increase even further, reaching 111 million tonnes.

Tanzania Ports Authority’s (TPA) has also made tremendous efforts to improve the Magarini Port in Muleba district.

The opening of an international sardine market at the harbor, coupled with the provision of equipment such as weighing scales and the addition of warehouse buildings, has led to an increase in the number of traders flocking to the port. Many traders from neighbouring countries, including Rwanda, Uganda, Burundi, and Malawi, have now made the port their go-to destination for business.

Before the improvements, the port was only capable of handling 18 to 23 tonnes of cargo per day. Currently, it has the capacity to process up to 45 tonnes per day, especially after the opening of the international fish market.

Passengers have also increased from the initial 400-600 to 500-800 per day. The revenue collected at the port has also seen a significant increase, from 10m/- to 16m/- per month.

The development of the rail network in the EAC regional bloc is also critical for promoting regional integration, trade, and economic development. Just like port infrastructure development, the EAC bloc governments have initiated projects that are expected to improve the region's connectivity and competitiveness.

Kenya for instance has already completed its first phase of the Standard Gauge Railway (SGR) project, which links the port of Mombasa to the capital, Nairobi. Despite many challenges during the early stages of its launch, the cargo transported by the SGR line has gone up in the past two years. According to Kenya Railways Corporation(KRC), over 5.4 million tonnes of cargo were moved by the line in the year 2021.

After six decades of Meter Gauge Railway(MGR), Tanzania is also in the process of constructing an SGR line from Dar es Salaam to Morogoro. According to officials from the Ministry of Transport, the SGR network is set to cover a distance of 4669 kilometers with the first phase linking Dar es Salam to Mwanza.

The construction of the SGR line in Tanzania is set to connect the port of Dar es Salaam to the hinterland in DRC after DRC`s recognition as an EAC member state. This is the first step to boosting trade between the two countries.

"We really need to construct transport infrastructure to enable EAC countries to improve trade among ourselves. The railway line to Burundi and DRC will enhance the regional trade value chain among EAC member states," said the Trade and Policy Advisor of the East African Business Council (EABC), Mr. Adrian Njau.

Tanzania is also rehabilitating its central railway line, which runs from Dar es Salaam to Kigoma.

The EAC bloc must invest in modernising its infrastructure not just to boost regional trade but also to achieve its full economic potential and become a major player in the global economy.

UNLOCKING AFRICA'S BLUE ECONOMY:
The Urgent Need For Maritime Development

Efforts have been put in place to tap the huge potential presented by the maritime industry, estimated to be worth billions.

In November 2018, when Kenya hosted the first international Sustainable Blue Economy Conference in Nairobi, stakeholders pledged US $172.2 billion for the sustainable development of the global blue economy.

The continent's maritime sector has a vital role to play in the adequate exploitation of the blue economy for the development of Africa's economies. Ms Nancy Karigithu, a former Permanent Secretary in charge of Shipping and Maritime in Kenya, noted during the Africa Maritime Conference held in Addis Ababa, Ethiopia in November 2022, that despite 90 percent of its imports and exports being seaborne, Africa is yet to become a player in global maritime

Gerard Marie, Technical Advisor, Cameroon.

trade. The former Permanent secretary in the Ministry of Mining and Blue Economy pointed out that the continent is endowed with huge reservoirs of natural resources such as crude oil, bauxite, iron ore, and timber.

Sadly, though, none of these raw materials are carried on African ships, and Africa is forced to

rely on multinational liners to ship her essential imports and resource-rich exports. Ms Karigithu said African states with better-developed maritime trade capacity and infrastructure will benefit more from the free trade deal.

The lack of locally owned vessels has also locked Africa from supply chain disruptions like the Covid-19 pandemic and international conflicts such as the one ongoing between Ukraine and Russia.

The UNCTAD Review of Maritime Transport noted that billions are paid annually in freight for the import and export of cargo in the region, with little or no share going to national and regional shipping lines.

"African fleet ownership is limited. Despite efforts over many years to increase African participation in the supply of shipping services, the continent still relies mostly on foreign-owned vessels," the Review titled Navigating Stormy Waters stated.

The review suggested that compliance with environmental regulation and competitiveness could make African ownership even more difficult, and along some routes, the continent may also face higher costs associated with deployment of greener ships.

Experts have always argued that to harness the potential in the industry, the region needs an integrated approach that entails bringing together science, research, and technology.

"African fleet ownership is limited. Despite efforts over many years to increase African participation in the supply of shipping services, the continent still relies mostly on foreign-owned vessels," the Review titled Navigating Stormy Waters stated.

During the Addis Ababa Conference, Malawi's deputy Minister for Transport and Public Works, Ms Nancy Chaola Mdooko, highlighted the effects the country was facing for relying on tobacco and the disruptions brought about by climate change and anti-smoking campaigns.

Ms Mdooko noted that the blue economy was, therefore, what the country was turning to and why it was important to implement it in a sustainable manner so that her country realizes the 2063 targeted development.

"The collaborative efforts being put into blue economy issues are likely to reveal how Malawi

can maximize the gains associated with the blue economy. We seem to be sitting on untapped resources that once exploited will turn around our economies," she said.

Mr Daniel Kiange, the Intergovernmental Standing Committee on Shipping (ISCOS) Secretary General, took the opportunity to challenge governments and maritime institutions represented during the conference. Mr Kiange urged the participants to collaboratively engage with regional bodies and shipping stakeholders on the domestication of ship ownership to mobilize the continent in achieving national, regional, and continental fleet ownership.

The regional maritime organization was established in 1967 to promote, protect, and coordinate the maritime interests of her members and Eastern and Southern Africa at large.

The founding members of ISCOS are Kenya, Tanzania, Uganda, and Zambia and were recently joined by the Democratic Republic of Congo (DRC).

During the conference, it was noted that there was an absence of an inclusive continental framework for engagement and collaboration amongst stakeholders of seaborne trade, leading to diverse approaches for common issues and information gaps between stakeholders.

To achieve this, it is necessary to develop a robust and sustainable maritime industry in Africa.

This will require significant investments in infrastructure, technology, and human capital development.

African governments and other stakeholders must work together to create policies and initiatives that promote the growth of the maritime sector and ensure that its benefits are shared equitably across the continent.

Efforts to develop the maritime industry should also prioritize environmental sustainability.

As the UNCTAD Review of Maritime Transport pointed out, compliance with environmental regulations could make African ownership of vessels more difficult, and there may be higher costs associated with deploying greener ships along certain routes.

However, a sustainable maritime industry will be essential for protecting the health of the oceans and the communities that depend on them for their livelihoods.

The maritime industry presents a significant opportunity for Africa to tap into the potential of the blue economy and achieve sustainable economic growth.

However, realizing this potential will require concerted efforts from governments, regional bodies, and other stakeholders to create a robust and sustainable maritime industry that promotes environmental sustainability and benefits all Africans.

By working together, we can ensure that the maritime industry becomes a key driver of economic development and a source of pride for the continent.

Hon. Nancy Chaola Mdooko Mp
Deputy Minister Malawi

SONGORO MARINE TRANSPORT:

Leading Marine Vessel Design, Construction, & Repair Company in East & Central Africa

Songoro Marine Transport Ltd is a Tanzanian company that specializes in designing, constructing, and repairing marine vessels and maritime projects in East and Central Africa. Incorporated in 1993 under the ordinance Cap 212, the company was founded by the late Mr. Saleh Songoro in the Mwanza region of Tanzania in 1998. Currently led by two directors, Major Songoro (ENG) as managing director and Khalid Songoro as director (ENG), Songoro Marine Transport Ltd has branches in Mbeya and Dar es Salaam.

The company's initial objective was to transport passengers and cargo by boat between the Mwanza Gulf and the villages along the southeastern part of Lake Victoria in Tanzania and East Africa. In 1998, Songoro Marine Transport Ltd added another line of business by purchasing the entire assets of Pasiansi Boat Yard, a government-owned project dealing with the construction and repair of steel vessels.

Some of the projects completed by Songoro Marine Transport Ltd include designing, constructing, and repairing various vessels such as ferries, barges, and boats. In the Dar es Salaam region, the company constructed a vessel called Mv KILINDONI from scratch, and repaired three ferries named Mv Kazi, Mv Kigamboni, and Mv Mafanikio. The company also built three barges named Zanzibar barges, Azam

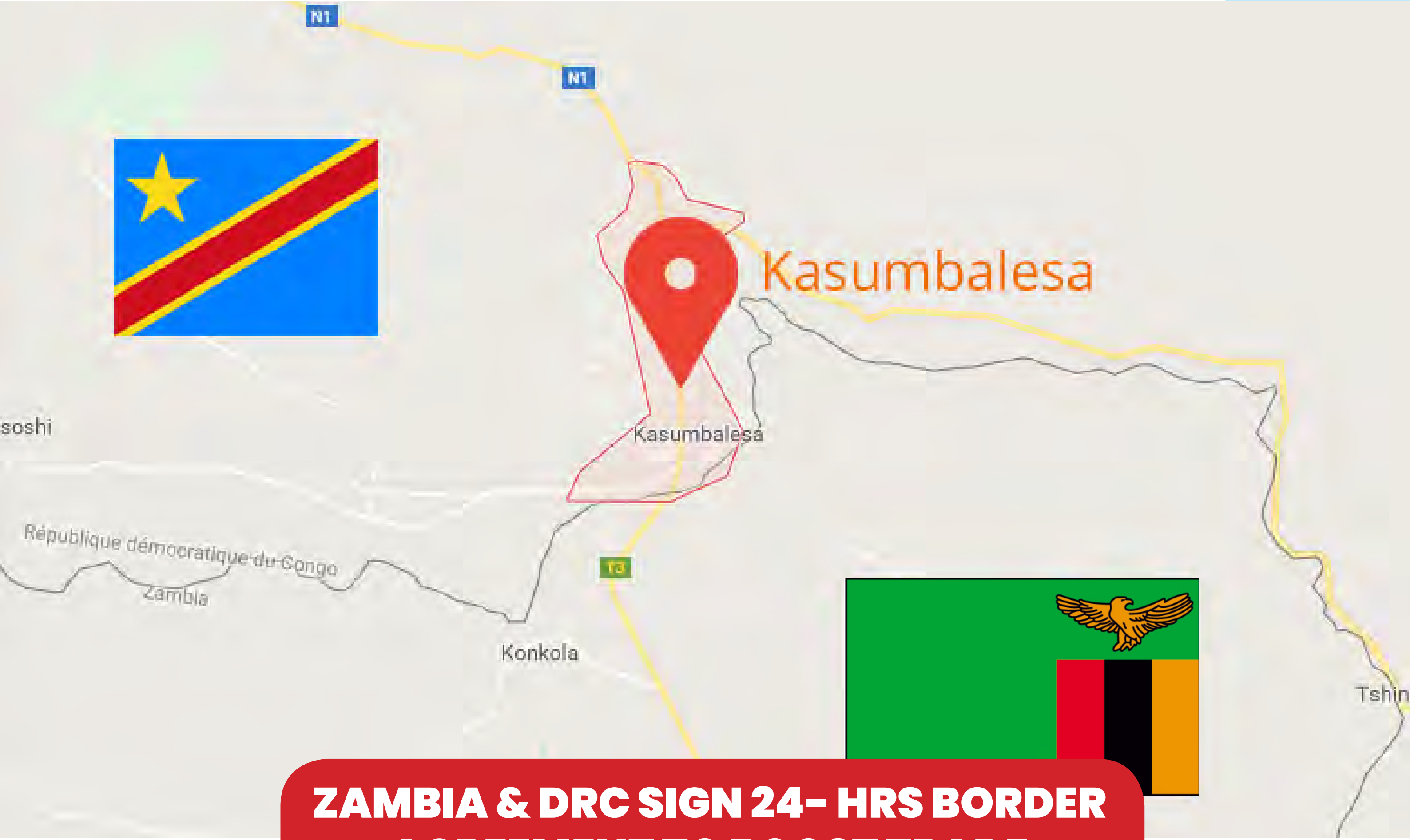
barges, and Azam Comoro barges. In the Mbeya region, Songoro Marine Transport Ltd constructed three vessels named Mv. Mbeya II, Mv. Njombe, and Mv. Ruvuma, which are currently running.

In the Mwanza region, the company completed various projects, including designing and constructing vessels such as Mv. Palm, Mv. Mwanza, Mv. Ruvuma, and Mv. Misungwi. The company also designed a research vessel for Uganda and a tourism boat for Tanapa.

Aside from designing and constructing marine vessels, Songoro Marine Transport Ltd provides various services such as design and engineering services, launch services, supply of marine products and manpower, mechanical repair, and electrical works for new and old vessels. The company is committed to providing quality and proficient services to its clients in the most effective manner.

In conclusion, Songoro Marine Transport Ltd has become a leading Tanzanian company specializing in designing, constructing, and repairing marine vessels and maritime projects in East and Central Africa.

With its team of experts and commitment to providing quality services, the company has contributed to the growth and development of the maritime industry in Tanzania and beyond.



ZAMBIA & DRC SIGN 24- HRS BORDER AGREEMENT TO BOOST TRADE

The Zambian Observer reported that Zambia and the Democratic Republic of Congo (DRC) have signed a Communique to operate the Kasumbalesa border facility on a 24-hour window.

The agreement was reached after a meeting between Zambia's Copperbelt Province Minister Elisha Matambo, Mines Minister Paul Kabuswe, and Commerce & Trades Minister Chipoka Mulenga, and their DRC counterparts at the Kasumbalesa border on the Copperbelt Province of Zambia.

The DRC delegation included Commerce & External Affairs Minister Jean Lucien Bussa, Vice Governor; Haut Katanga Region, Jean Claude Kantwa and DRC Ambassador to Zambia Paulo Costa.

The Communique was signed after the two Heads of State, Mr. Hakainde Hichilema and his counterpart Mr. Felix Tshisekedi, had a meeting in Ethiopia recently.

The Communique includes several agreements, such as authorizing all types of commercial goods to pass through Kasumbalesa, Kipushi, and Mukambo border facilities, upgrading border facilities at Kasumbalesa, Kipushi, Sakania, and Mukambo borders, and reconsidering night restrictions on the movement of commercial cargo within one week of signing. Additionally, DRC committed to upgrading parking and risky yards and constructing a ring road on the Congolese side. Zambia and DRC agreed to implement all border agencies to operate on a 24-hour window after one week of signing the communique.

Zambia's Minister of Commerce & Trade, Chipoka Mulenga, signed on behalf of the Zambian government, while DRC's Minister of Commerce and External Affairs, Jean Lucien Bussa, signed on behalf of the Congolese government. The communique is aimed at ending the traffic impasse at Kasumbalesa border and enhancing trade not only for the two countries but also for the entire SADC and COMESA region.

The DRC requested Zambia to hold the next meeting in DRC on a day to be communicated by the Congolese authority to cement more agreements aimed at benefiting the two countries.

This news article was originally published by The Zambian Observer.

AFRICA AS THE NEXT SHIP MANNING FRONTIER

By Brian Gicheru

It is over a year now since the first shots were fired in the ongoing Russia- Ukraine war. A lot has changed ranging from reorganization of the global energy map to disruptions in grain exports, threatening food security in parts of the world that depend on Ukrainian cereals.

However, one of the consequential impacts of the Ukraine- Russia war is re-aligning the ship manning scene. Both Russia and Ukraine are considered as shipping crewing nations, thus explaining the crew crisis that ensued after the war begun.

Out of the world's 1.89 million seafarers, Russian seafarers account for around 10 percent while a further 4 percent are from Ukraine, according to data by International Chamber of Shipping (ICS). Currently, 331 seafarers remain stuck on 62 vessels across nine Ukrainian ports, unable to leave due to naval mines strewn across the Black Sea.

Indeed, the issue of crewing disruptions is one of the pain points that shipping has to prioritize. Remarkably, ship managers are already scouting for new locations to source seafarers, as traditional manning markets such as Philippines and India appear vulnerable in the face of disruptions.

Africa, enjoying a demographic dividend composed of young educated people is undeniably the next

manning frontier for the shipping industry.

"Our view is that Africa has great potential to become a major source of seafarers. That is why we have been involved in Africa for over a decade, and we have ambitious plans to grow our pool of African seafarers, with support of our ship-owner customers," CEO of Hamburg-based Bernhard Schulte Shipmanagement, Ian Beveridge told shipping news site Splash magazine.

Maersk has also brightened the prospects of Africa as a manning continent. In February, Maersk announced that after an extensive review process, South Africa was identified as a high-potential crew-sourcing destination for the carrier's fleet.

"The importance of having geographically diverse pools of seafarers was highlighted during the pandemic. South Africa is a natural choice due to its maritime legacy, and the number of high-quality South African seafarers, many of whom hold senior positions in our crews," said Niels Bruus, Head of Marine HR for A.P. Moller- Maersk.

Celebrity Cruises, through its flagship Celebrity Cadet Program run in partnership with the Regional Maritime University (RMU) in Ghana, became the first major cruise line in 2017 to dip its toes in the vast seafaring potential in Africa.

A notable feature of the cadet program is that Celebrity Cruises can recruit West African female trainees as bridge officers. In some parts of the world, female cadets find it hard to accumulate the requisite sea time needed for employment in maritime industry, as social norms encumbers many.

Nonetheless, the manning opportunity will not come to Africa on a silver platter.

Work must begin in modernizing many moribund maritime training centers scattered all over the continent.We are now in a new age of seafaring, where dexterity in maritime technology is a necessary skill in a digitized maritime industry.

As a continent, we cannot afford to fall into the trap of other regions, who sold rosy stories about their seafarers only to emerge later that they had forged certificates and poor standards of training.

A positive note is Kenya's ongoing efforts to revamp its public maritime training center Bandari Academy. The facility was one of the key focus areas of the Third Medium Term Plan 2018- 2022, under Kenya's Vision 2030. Some of the important changes during

the period is designating the facility as a Semi-Autonomous Government Agency, hence the name change from Bandari College to Bandari Maritime Academy. Formerly, it was administered through the Kenya Ports Authority, whose major purpose was to conduct in-house trainings for port staff.

With a new mandate and vision statement, Bandari Academy has been primed into a Regional Maritime Centre of Excellence; enjoying capacity to attract students even from Kenya's other East African neighbors.

Africa should also be keen on tightening regulations on manning agencies. As one crew manager put it, manning agencies in Africa are so arbitrary almost for one to have a feeling that they are run from a coffee shop.

Compliance to crewing regulations is next to none and there have been instances of African seafarers falling victim of sea slavery.

Meanwhile, Africa ticks all the boxes to place it on top of the list as the next manning destination. With a youthful population of over 1.4 billion people, Africa guarantees a long-term pipeline of maritime talents.

Additionally, Africa has the most developing economies, preferred by international ship-owners and managers as a cheap market for maritime professionals.

The Secretariat led by the Secretary General, Mr. Daniel Kiange held a Consultative meeting with representatives from the Republic of Burundi to discuss areas of collaboration.

Delegates from ISCOS Member States attending the 15th Ordinary Meeting of the Technical Committee on Finance and Administration that commenced on 12th December, 2022 at Sarova Whitesands Beach Resort and Spa, Mombasa, Kenya.

The 7th Extra Ordinary Meeting of the Coordination Committee held from 7th to 8th October 2022 at the Sarova Panafric Hotel, Nairobi, Kenya

Dar Corridor Survey ISCOS team visit with Tanzania Railways Corporation at Kigoma

ISCOS team visited Tanzania Zambia Railway Authority (TAZARA) for Dar corridor survey

Meeting between ISCOS team and the Zambia Road Transport and Safety Agency (RTSA) at their headquarters in Lusaka

FROM DAR TO LUSAKA,
TPA spreads its wings

By QUAYSIDE MAGAZINE

The Tanzania Ports Authority has been engaged in several efforts towards improving its services within the country, and now those efforts are crossing the country's borders.

This year, the Authority sent a powerful delegation in Zambia in strategic efforts of promoting services offered in all their ports in the country.

Apart from the fact that TPA offers its services to several land-linked countries, the delegation which consisted of top port officials, had the aim of taking the Zambian market.

The delegation was joined by Tanzanian Ambassador to Zambia, Ambassador Hassan Simba Yahaya who represented the Permanent Secretary in the Ministry of Works and Transport, at a special conference which was officially opened by the Zambia Minister for Transport and Logistics, Frank Tayali, which also brought together a number of transport stakeholders who transport cargo from Zambia to other parts of the globe.

During the conference, on behalf of the Tanzanian government Amb Yahaya assured participants that the TPA has made major strides in improving services offered at all their ports, which includes major investment in purchase of modern equipment and machinery which has increased the quality of service.

Amb Yahaya says that improvement in services at all major ports in the country is meant to benefit Tanzania and land linked countries which depend on the country's ports, including Zambia.

Zambia is one of the transit markets served by the Port of Dar es salaam. The market is served by the Dar es Salaam corridor which is a multi-model corridor with road and TAZARA railway, the corridor stretches out from the Port of Dar es Salaam to Tunduma/ Nakonde Border.

On her part, TPA Marketing Manager, Ms Lydia Mallya says that the port of Dar es Salaam is the main cargo gateway not only to Tanzanian hinterland and great lakes region, but also for land linked neighbours in east and central Africa such as Burundi. The Democratic of Congo (DRC), Malawi, Rwanda, Uganda and Zambia, and which has registered a performance of 17.8 million tonnes in 2021.

She told delegates at the conference that with the capacity of handling 600,000 vehicles annually, the new 320-meterlong berth at the Dar es Salaam port recently broke both its own capacity handling record and that of all other Eastern and Southern African ports (excluding South Africa) by welcoming cargo ship MOL Tranquil Ace to discharge 3743 cars on the new roll on roll off berth.

"Given the rise in maritime trade and the ever-increasing market demands, TPA is set to cope with this fastgrowing trend through creation of capacity ahead of demand through projects geared towards improving capacity and efficiency at the port," she says.

She adds that one of the projects, the Dar es Salaam Marine Gateway Project (DMGP) is valued at TZS 336.4 billion and represents the first large –scale modernisation of the port in its history.

She further says that the project is well

TANGA PORT UPGRADE:
Optimism Rides High

By QUAYSIDE MAGAZINE Reporter

THINGS are going smoothly as planned in the construction and upgrading of Tanga Port, despite minor delays caused by Covid-19. Next month, the port will soon start receiving ships carrying vehicles which will be kept at Mwambani area in Tanga region.

The first phase of the construction has reached 98 percent, and upon completion it will open up new economic opportunities for the region, northern regions and neighboring countries.

Acting Tanga Port Manager, Mrisha Masoud said the port will be opened in May, 2022 after completion of the pier and the increase in water depth which will allow larger ships to dock directly and unload cargo.

This is the result of the ongoing improvements of Tanga Port, which includes the first phase which aims to increase the depth from the current 3 meters to 13 meters at the sea entrance, including areas for turning ships around and port equipment which all costs of 172.3bn / -.

The 150 meters of the pier which is expected to be handed over next month and allow ships to enter is part of the upgrading of 450 meters of quay at a cost of 256.8bn / -.

Traders who had the opportunity to visit the port and witness the ongoing progress of rehabilitation after their meeting with various TPA officials said they have seen positive changes and foresee a positive future for the port after completion of the improvements.

Referring to the prospect of receiving large ships carrying vehicles, Mrisha said Mwambani area has met all the required criteria of storing the vehicles because it is a large area covering 176 hectares.

He also said with these improvements, they expect to effectively handle cargo ranging from 750,000 tons up to 3 million tons, saying apart from storing vehicles, Mwambani area will also be utilized in loading and storing of cargo containers and other port activities to decongest the Tanga port.

Acting Director of Marketing and Liaison at the Tanzania Ports Authority, Nicodemus Mushi said apart from port users, the TPA board of directors also visited the port which is being rehabilitated by the Chinese, where they expressed satisfaction at the pace of construction.

Speaking to stakeholders at the Port of Tanga, which

serves the Northern Region as well as neighboring Rwanda, he said the upgrading of the port will open a new chapter and bring reforms which will help in tackling existing challenges and bring expected results. Tanga Port is among several ports in the country under the control of Tanzania Ports Authority (TPA) along the Indian Ocean Coast, and its upgrade will provide a great opportunity for individual, regional and national economic growth.

Due to its geographical location and infrastructure of the port, it will be able to serve the Northern regions and neighboring Uganda, South Sudan, the Democratic Republic of Congo (DRC), Burundi and Rwanda through the dry ports of Isaka and Kigoma Port using railway and road infrastructure. It can also serve Zambia and Malawi through the Kasumulu and Tunduma borders.

A few years to come the Port of Tanga which was constructed by German colonists in 1888, will boast of natural coast that suppresses Northern winds which allows it to operate around the year, which in earlier years' boats were used to offload cargo from ships docking at high seas, a task that took a long time fulfil.

History reveals that in the beginning the port had the ability of handling ships weighing more than 1,200 tons, and that loading and unloading of cargo was carried out in deep waters at a distance of 1.7 kilometers from the port.

The first pier had a length of 381 meters and operated in 2 to 3.5 meters in depth during low rainfall, while originally the pier was built with a water depth of five meters.

"We have put ourselves in competition with neighboring ports because increasing the

depth will enable ships to dock directly at the port, and the new and more advanced equipment, it will increase the port capacity, because at present we are in a better position to take advantage of the proximity of our customers to increase GDP," said Mushi.

It is obvious according to TPA Engineer Fred Mahenge that these two port improvement projects worth 468bn /- will put the port in a good position of competing with neighboring ports.

In addition to increasing the depth and construction of two 450 meter piers, the port has also received 16 new operating machines which now makes it possible to load and offload cargo in a very short time span.

The Tanga Port Planning and Statistics Officer, Joseph Mwambipile said the port which has a large capacity of handling cargo, fuel and passengers aims to handle 20,000 consignments and 99,000 passengers when the project is completed in October this year.

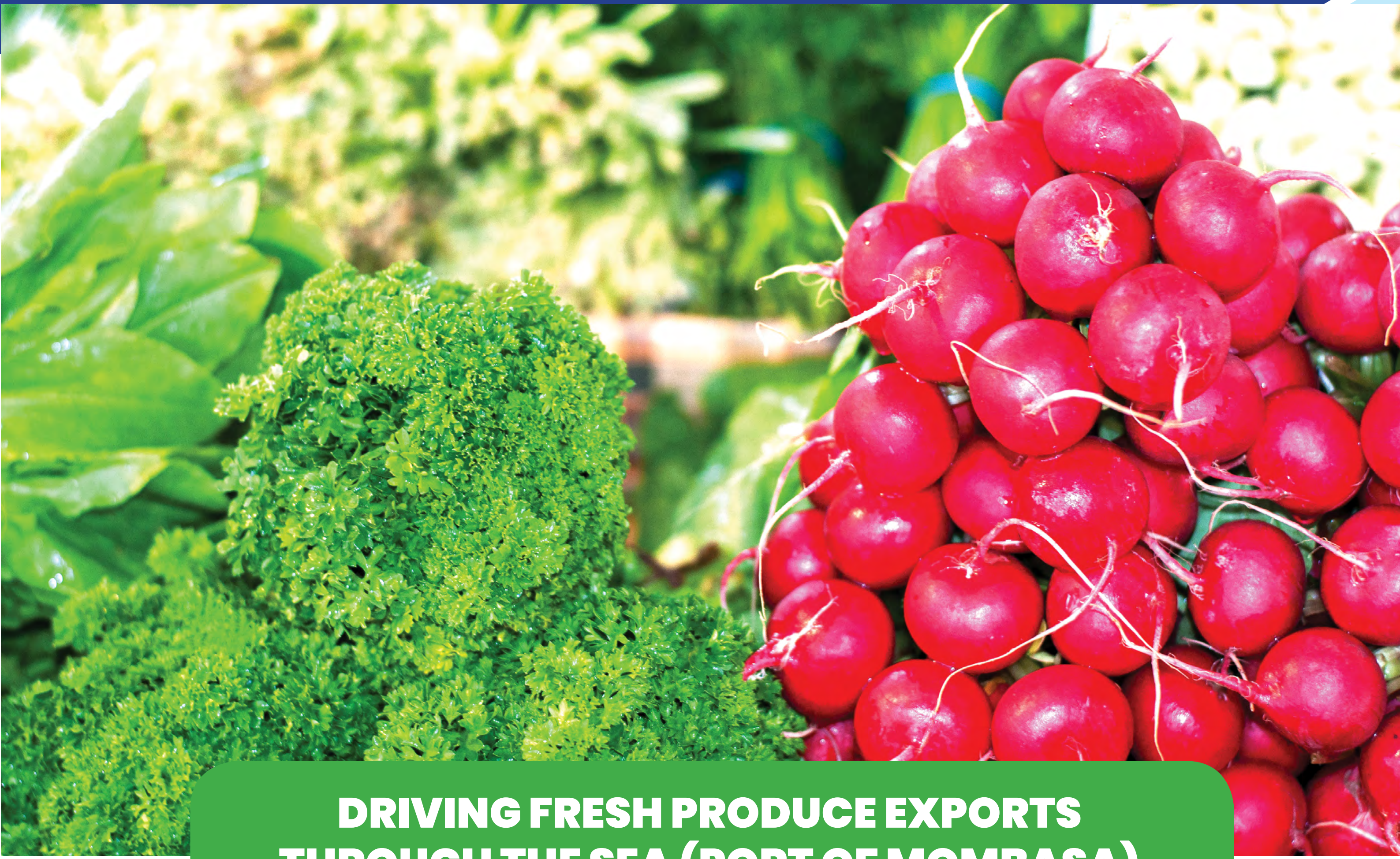
The Chairman of the TPA Board of Directors, Ambassador Ernest Mangu while leading board members to visit various projects at the Tanga Port said they were satisfied with the progress of the ongoing construction and called for timely completion in order to fulfill the government's commitment of bringing greater port efficiency and open up the northern economy. With increasing support from the sixth phase government, TPA has been able to install a new oil meter known professionally as the Corlious Mass Flow.

According to the port officials, the meters have increased the number of oil tankers docking at the port and the speed of loading and unloading of oil has increased, and at the same time eliminating fraudulent practices.

The Chief Mechanical Engineer at the Tanga port, Hashim Kasege says the three meters are capable of loading and unloading fuel at high speeds, while providing accurate data on the cargo.

"In the past we had the task of going all the way to the ship and measure the amount of oil with a special dip stick," said Hashim.

He says the new meters with a capacity of 1,200 and 1,800 metric tons per hour are installed to replace the old ones that were capable of passing 450 metric tons.



DRIVING FRESH PRODUCE EXPORTS THROUGH THE SEA (PORT OF MOMBASA)

The Shippers Council of Eastern Africa (SCEA) is a membership based organization that represents the interests of cargo owners in East Africa.

SCEA uniquely focuses its advocacy initiatives on all modes of freight transportation and trade facilitation related issues. The goal of SCEA is to advocate for regulatory and policy changes that will transform East Africa into a region of high logistics efficiency and competitive pricing for logistics services.

The main transport mode for global trade is ocean shipping: around 90% of traded goods are carried over the waves. As demand for global freight increases, maritime trade volumes are set to triple by 2050, thus necessitating for a more efficient and sustainable maritime transport.

The Eastern Africa region is served by two major sea ports; Mombasa and Dar es Salaam that provide the link to The International maritime trade routes to the hinterland land linked countries that form Eastern Africa.

It is served by two main corridors namely the central corridor linking the port of Dar Es salaam and northern corridor linking the Port of Mombasa. The region is also served by international airports in major cities across partner states, which though they boast major international carriers are not subjected to open skies limiting the potential for logistics and trade facilitation.

The port of Mombasa is a crucial landing point for goods, and links to the Northern Corridor that runs west across the country to Uganda, Rwanda, Burundi and the Democratic Republic of Congo.

Maritime trade through the port of Mombasa depicts an imbalance, with imports forming majority of the throughput. Approximately, 86% of goods moving through the port are imports, exports only count for 14%.

Out of the 14% of exports through the port of Mombasa, fresh produce accounts for only 3% with 97% of the exports being shipped through air. However, the number of shipping lines offering sea freight from Kenya has increased and journey times are now below 30 days. Good results for sea freight shipment are seen for avocados, pineapples and flowers.

By increasing maritime shipping and especially for fresh produce, Kenya can provide an alternative way of transporting export goods, decrease costs and reduce its environmental footprint. This also leads to Kenya becoming more competitive in the region.

Further, maritime shipping is considered one of the most carbon and cost-efficient transportation modes available today.

Airfreight cost is more than 3 times higher compared to cost of sea freight for our exports. Airfreight costs USD 2 per kg and can go up to USD 40,000 depending on size, weight or quantity. Sea freight cost on the other hand is approximately USD 12,000.

Moving fresh exports through sea is a huge investment with great infrastructural requirements to support the logistics for our exports. To boost sea freight of exports through Mombasa below are some of the infrastructural and logistical requirements that need to be met.

Electrical plug-in points (gensets needed to provide power for the refrigeration units) on Standard Gauge Railway (SGR) trains to support the delivery of reefer containers. This will increase the volumes delivered to the port, reducing trucks on the road and lead to a more sustainable and environment friendly mode of transport.

Transportation of exports through the standard Railway Gauge (SGR) will also reduce the time taken to deliver exports to the Port of Mombasa.

Reefer points at the ports and ICD's. Currently the Port of Mombasa has 500 reefer points while at ICDN has 300 points.

There is need to set the correct infrastructure that is going to support exports at the ports and ICD's both in Nairobi and Naivasha.

Invest in consolidation centers. Growing the movement of fresh produce through the sea will require infrastructural investment in consolidation centers close to the production regions.

It is expected that the consolidation centers could be closer to farms (shortening the time flowers are stored at less-than-ideal temperatures).

This will also have the benefit of improving efficiency of road freight compared with current deliveries to the airport as a result of capacity needed.

Resolve the inefficient and unreliable port operations at the port and depots which result in delays. This will reduce the time taken to export and ensure reliability of sea freight as well as reduce costs for in-land freight to the port at Mombasa, which is currently comparatively expensive.

Invest in an improved port operations dedicated procedure for perishables in the port of Mombasa. SCEA focuses on engaging the different agencies through the specific departments majorly to facilitate trade and make sea freight of fresh produce more efficient and bring down costs. This includes a complete overhaul of Mombasa port with sufficient berths, good management and practices suitable for perishable goods.

In conclusion, logistical bottlenecks have been identified as a barrier to entry, especially for small and medium-sized exporters to access markets. Fresh produce exports, especially fruits and vegetables in Kenya, are characterized by production in remote zones with poor access, leading to the deterioration of produce due to the time it takes to reach markets. The success of fresh produce exports depends on the supply chain's ability and, in particular, logistics in responding to emerging requirements of speed, flexibility, precision, and transparency in the supply chain to connect effectively and reliably to global supply chains.

Fresh produce supply chains require the development of logistics systems that take into consideration road and traffic conditions, climate, transport time and distance, and delays at delivery points to strengthen the economic competitiveness of stakeholders in the fresh produce supply chain, maintain quality or add value to fresh produce and reduce the environmental impact of logistics and which SCEA is driving the discussion in efforts to have the initiatives in place and making the Port of Mombasa an export Port.

Article by Shippers Council of Eastern Africa

UNLOCKING BOTTLENECKS IN THE DAR ES SALAAM TRANSIT AND TRANSPORT CORRIDOR KEY TO REGION'S GROWTH

A transport corridor is essential for the movement of people and goods. With the growing appreciation of multimodal transport systems across Africa, different transport modes (water, rail, road, air and pipeline) are being developed into a multimodal system which serve the different routes designated as feeds to the corridor providing the much-needed connectivity which is one of the great measures of corridor performance.

Notably, inefficiencies in one or more of the corridor elements directly affect the operations of the entire logistics chain including the maritime components like the port operations.

To eliminate bottlenecks in the shipping and maritime subsector, The Intergovernmental Standing Committee on Shipping (ISCOS) carried out a survey of the Dar es Salaam Trade and Transport Corridor between 21st September to 05th October 2022.

Other reasons why the survey was important were to facilitate global trade, fit shipping and maritime in the bigger transport system, to ensure shipping

sustainability through holistic addressing of system bottlenecks, to appreciate port–surface/inland issues and show the extent local, land transport directly affect maritime segment (ports) negatively.

The survey covered part of the Dar es Salaam corridor from the Port of Dar es Salaam through to Lusaka, Kasumulu, Tuduma/Nakonde and Kasumbalesa border crossings involving interviews with selected stakeholders and physical inspections of selected corridor facilities like borders infrastructure, roadways, weighbridges and dry port facilities.

The regional maritime organization operating in Eastern and Southern Africa said the study was aimed at identifying corridor opportunities, emerging issues and constraints which when resolved by stakeholders would facilitate smooth trade and logistics along the entire corridor and greatly improve the fluidity of the Dar es Salaam port.

Through physical observations, interviews with stakeholders and documents review; the survey came up with key findings, which were presented to stakeholders in a forum in Dar es salaam, Tanzania on 01 to 02 December 2022.

Key observations included:

- Optimize port operations to achieve vessel Turnaround of 2.5days by 2025 – with an integrated port community system as a tool;
- Rehabilitate TAZARA (The Tanzania Zambia Railway Authority) to reinstate its design capacity;
- Corridor states need to expedite the harmonisation of axle load, vehicle dimensions' and tolling regulations;
- Zambia needs to accelerate the Nakonde – Isoka –Chinsali road project and the Lubumbashi through Kasomena/Mwenda option (Luapula bridge);
- Zambia and the Democratic Republic of Congo to consider the implementation of an OSBP at Kasumbalesa to the flow of trucks and end massive traffic jams.
- Malawi to expedite the construction of OSBP facilities at Kasumulu;
- Urgent capacity improvements on weighbridges (Mikumi, Mpemba, Kapiri, Kafulafuta)
- Corridor states' customs systems need to be integrated to speedup clearances;
- Encourage pre-arrival clearances and expedite the development of OSBP-supportive infrastructure at Nakonde;
- Bilateral arrangements between DRC and Zambia were needed to provide security to transit logistics in DRC;
- Zambia to improve Kasumbalesa road infrastructure.

Improving the Dar es Salaam Transit and Transport Corridor is crucial for the growth of the region. As a vital transportation route for people and goods, the corridor's multimodal transport system, which includes water, rail, road, air, and pipeline, needs to function efficiently to ensure smooth operations of the logistics chain, including port operations. To identify the bottlenecks in the shipping and maritime subsector, the Intergovernmental Standing Committee on Shipping (ISCOS) conducted a survey of the Dar es Salaam Trade and Transport Corridor between September 21 and October 5, 2022.

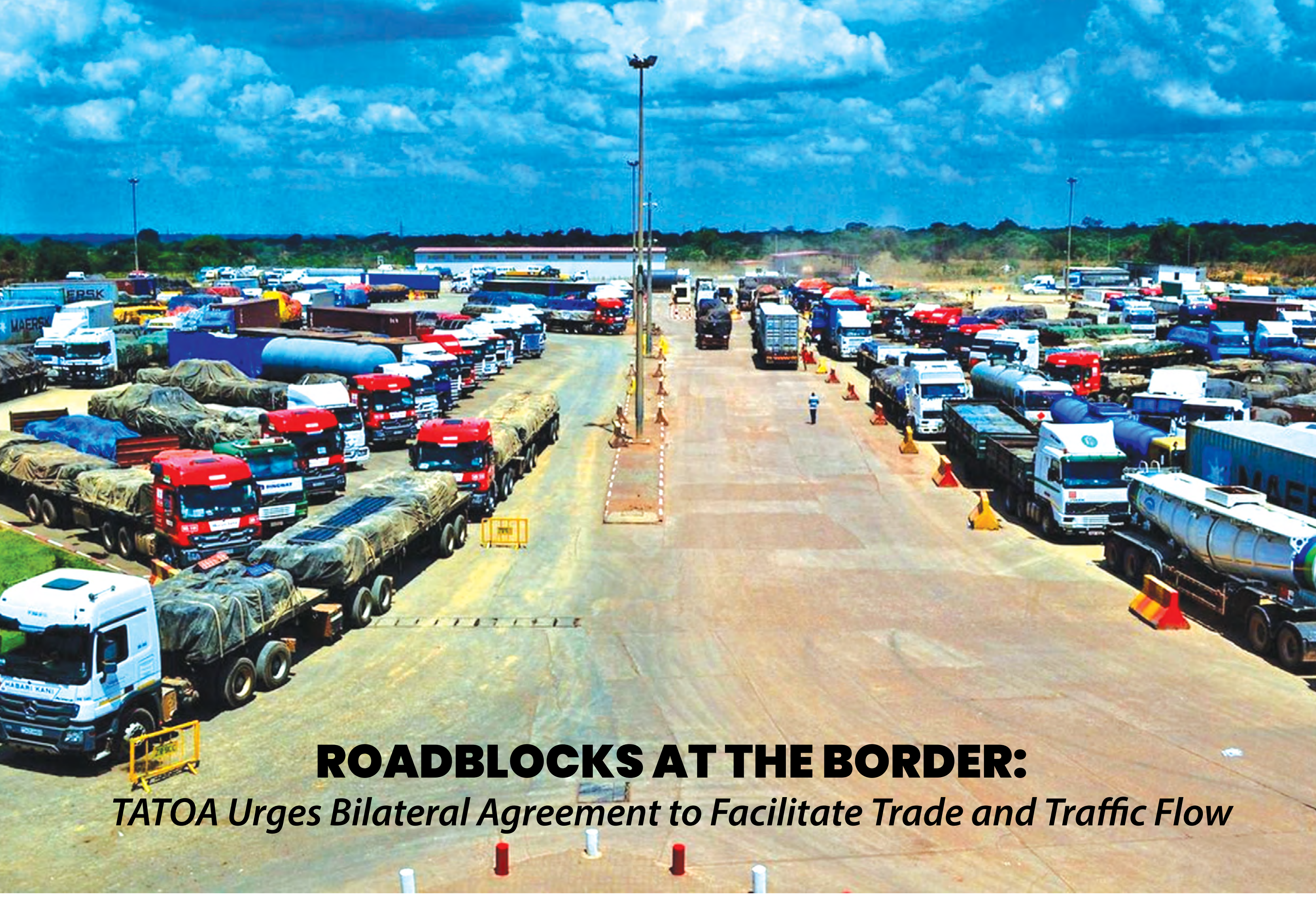
The survey aimed to facilitate global trade, fit shipping and maritime into the bigger transport system, address system bottlenecks to ensure shipping sustainability, appreciate port-surface/ inland issues, and highlight how local land transport negatively affects the maritime segment (ports).

Based on physical observations, stakeholder interviews, and document reviews, the survey identified key findings that were presented to stakeholders in a forum in Dar es salaam, Tanzania, on December 1-2, 2022. The key observations included the need to optimize port operations to achieve a vessel turnaround time of 2.5 days by 2025 using an integrated port community system. TAZARA (The Tanzania Zambia Railway Authority) needs rehabilitation to reinstate its design capacity. The corridor states need to expedite the harmonization of axle load, vehicle dimensions, and tolling regulations.

Zambia needs to accelerate the Nakonde-Isoka-Chinsali road project and the Lubumbashi through Kasomena/Mwenda option (Luapula bridge). Zambia and the Democratic Republic of Congo need to consider the implementation of an OSBP at Kasumbalesa to flow trucks and end massive traffic jams. Malawi needs to expedite the construction of OSBP facilities at Kasumulu. Urgent capacity improvements on weighbridges (Mikumi, Mpemba, Kapiri, Kafulafuta) are required. Corridor states' customs systems need to be integrated to speed up clearances.

Pre-arrival clearances should be encouraged, and OSBP-supportive infrastructure at Nakonde needs to be expedited. Bilateral arrangements between DRC and Zambia are necessary to provide security to transit logistics in DRC, and Zambia needs to improve Kasumbalesa road infrastructure.

The recommendations made in the survey are crucial to unlocking the potential of the corridor and boosting regional trade. It is imperative for the governments and other stakeholders to take the necessary steps to implement the recommendations and ensure the smooth flow of goods and people along the corridor. By doing so, the region's economies will benefit from increased trade, improved connectivity, and enhanced regional integration.



ROADBLOCKS AT THE BORDER:

TATOA Urges Bilateral Agreement to Facilitate Trade and Traffic Flow

Issued by Tanzania Truck Owners Association, Date 06/03/2023,

Tanzania Truck Owners Association (TATOA), is a business association that comprises voluntary members who own trucks engaged in cargo freighting operations within and beyond the United Republic of Tanzania.

The association places particular emphasis on facilitating transit transportation and trade within the SADC and Great Lakes regions, which span across various countries, including DRC (Katanga, North & South Kivu Provinces), Zambia, Malawi, Zimbabwe, Rwanda, Burundi, Uganda, and South Sudan.

TATOA was founded in 2005 with an initial membership of 25. Over time, the association has become a prominent force, consisting of dedicated members from the business community who share a common goal of elevating the road transportation sub-sector to the second-largest contributor to the GDP. With improved policies, regulations, infrastructure, and operational environments, the road transportation sub-sector is poised to become the leading contributor and foreign exchange earner for the country. We extend special thanks to TATOA's members, who own over 15,000 trucks and have made significant investments to support this growth.

The transportation sector is a rapidly expanding industry that generates both formal and informal employment opportunities, and contributes significantly to the national income.

To ensure continued growth and increased contribution to the economy, our association works closely with various government institutions, including the transport sector and relevant ministries, through dialogue and discussions to improve and simplify the business environment.

Our members facilitate the collection of customs taxes and the transportation of raw materials, cargo, and various products, both domestically and internationally. TATOA represents over 1,500-member companies that have provided direct employment to more than 80,000 individuals and indirect employment to more than 200,000 people. Our transporters serve neighboring countries through transit transportation, using approximately 25,000 trucks.

The fourth and fifth administrations had made investments in various infrastructure and transportation projects. These projects were further developed with great speed and efficiency by the sixth administration. We would like to take this opportunity to congratulate the Honorable President Mama Samia Suluhu Hassan and the

sixth administration for their outstanding efforts in developing the cargo freighting and transportation sector.

In the last 30 days, there has been a significant buildup of trucks at the Kasumbalesa border. The queue of trucks extends up to 70 kilometers as they are forced to wait for up to 20 days to cross into DRC. This backlog is due to the fact that DRC's customs department operates on a limited schedule and is not working efficiently.

As a result of these delays, trucks spend a considerable amount of time at the border, resulting in longer turnaround times and higher container demurrage charges. Truck drivers are only given a limited number of free days to return empty containers, and border delays often result in extra penalties being levied for late returns.

We urge the governments of DRC and Tanzania to develop a bilateral agreement that would help facilitate traffic flow at the borders and provide a better environment for trade.

During the period of September 21 to October 5, 2022, the Intergovernmental Standing Committee on Shipping (ISCOS) conducted a survey of the Dar es Salaam Trade and Transport Corridor.

The survey revealed that the lack of full implementation of the OSBPs principle at Kasumulu/Songwe and Kasumbalesa border crossings contributed largely to the delays experienced at the two borders.

Additionally, there was no or very limited customs system integration which prolonged customs clearance at the border crossings. As a result, stakeholders must intervene to resolve these deficiencies to improve the corridor's performance.

TANZANIA RAILWAY CORPORATION:
Building for the Future of African Railways

The Tanzania Railway Corporation (TRC) offers rail transport services for both passengers and freight.

The company is responsible for the development, management, and construction of railway infrastructure, and is currently working on the Modern Standard Gauge Railway (SGR) project from Dar es Salaam to Mwanza. The project includes five sections, namely Dar es Salaam-Morogoro, Morogoro-Makutupora, Makutupora-Tabora, Tabora-Isaka, and Mwanza-Isaka.

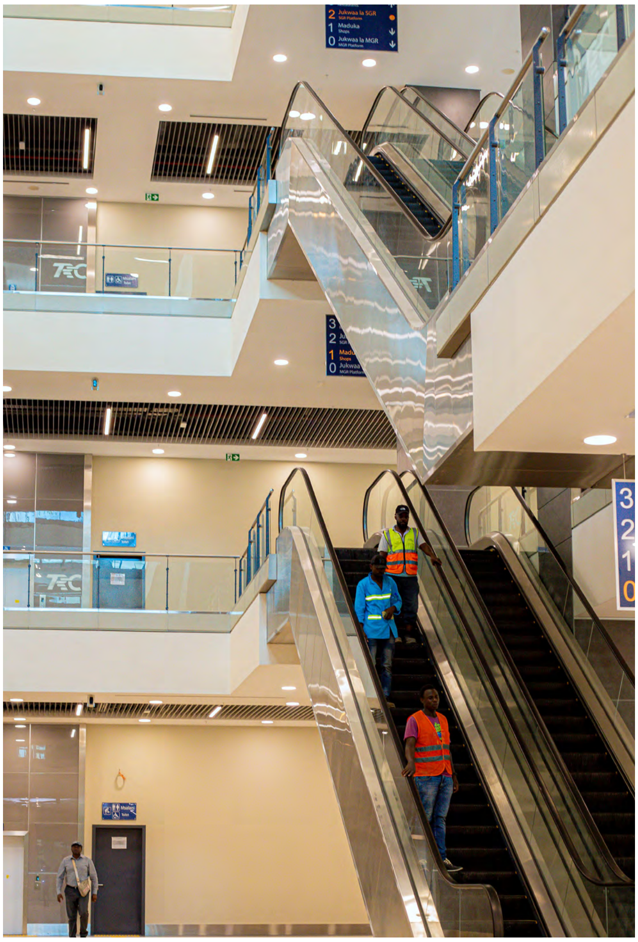
The corporation has achieved several milestones that have instilled hope and trust in Tanzanians regarding the improvement of the country's railway sector.

TRC has established plans and strategies to become Africa's most reliable and best railway service provider, and this can be accomplished through the dedication of skilled and professional employees in various departments of the corporation.

Together, they enable the corporation to implement plans and strategies to achieve the set objectives.

The corporation has successfully procured contractors for the remaining parts of the third and fourth sections, namely Makutupora-Tabora and Tabora-Isaka, and will soon complete the process of building the modern railway line from Dar es Salaam to Mwanza.

In addition, TRC has signed a contract to repair the central railway line in the Kaliua-Mpanda section, where the railway will be repaired to enhance services and increase the speed of trains.



Similarly, the corporation has signed a contract for the construction of a long bridge at the Godegode area between Kilosa and Gulwe to improve railway infrastructure in the area.

TRC has facilitated the signing of contracts for the construction of modern railway lines between Tanzania and Burundi and the procurement process for the contractor of the SGR railway line construction from Tabora to Kigoma. The corporation is also planning to continue improving the Tanga and Arusha railway lines and from Mruazi to Ruvu, with a length of 533 kilometers.

Procurement procedures are underway to increase train speed and railway safety on the section from Dar es Salaam to Arusha.

To continue improving rugged areas such as the Gulwe-Kilosa section, the procurement process for a contractor to build a large bridge has been completed. TRC has also purchased equipment such as machines for measuring railways and repairing them using modern technology. These measures will make railway infrastructure more robust and safer.

Regarding land valuation and compensation payments, the main SGR project and power line have been valued at 100 percent in the first section from Dar es Salaam to Morogoro. Valuation has also been completed for three ferry crossings, covering 6, 9, and 18 kilometers, and compensation payments of over TZS 22 billion have been paid to 141 citizens. The Land Manager, Ms. Kokwika Ishenkumba, explained that for the Dar es Salaam to Morogoro section, the total amount paid in compensation exceeded TZS 102 billion, with a total of 7,084 citizens losing their land.

For the second section, Morogoro-Makutupora, TRC has successfully completed land valuation and compensation for the ferries, and 13,019 citizens received compensation payments of over TZS 50 billion. However, valuation procedures will continue until the 2022-2023 financial year.

TRC is also continuing with the valuation process for the third section, Makutupora-Tabora, where they have evaluated three SGR project camps, Tabora, Nyahua, and Tura, as well as stone quarries in the Ituru Tabora area. In addition, 4,530 citizens have been evaluated, and compensation payments exceeding TZS 12 billion have been made in the fifth section, Isaka – Mwanza.

In the Isaka-Mwanza section, TRC has completed the relocation of graves to make way for the contractor. They moved 390 graves in Kwimba District, 210 in Shinyanga District, 90 in Maswa District, and 90 in Misungwi District. TRC is continuing to lease large and small areas, and they collected over TZS 2.54 billion in the 2021-2022 financial year. However, there are still many areas in the SGR that require investment.

“TRC has identified a company that will be responsible for acquiring all the required land,” said Ms. Kokwika.The operation of train services largely depends on communication and signaling to ensure the safety of trains, passengers, and cargo.

Through the Communication and Power Department, TRC is implementing a project to distribute parts for communication and signaling, which has so far reached over 96 percent.

“Through the purchase of parts, we can improve equipment, such as replacing radios for communication between stations,” said Engineer Mateshi.

The purchase of parts for electricity is important in case of power outages, and standby generators are necessary to ensure continuous operation. Machines that can break down must also have spare parts, and buildings must have long-lasting equipment that is changed to avoid power disruptions.

“On the side of the SGR, testing of the electrical machinery is ongoing, including testing the contractor’s electric train from Dar es Salaam to Morogoro, and testing of communication and signal systems is also ongoing in the communication network.

The training of employees is also ongoing, with some going to South Korea for training to gain experience in operating modern railways. We also have various systems that will display information on the route, including signals that will show information in three colors - green indicating that the route is safe, yellow indicating to prepare for a problem, and red indicating danger,” said Mateshi.

The Tanzania Railway Corporation (TRC) through the Business Development Department has successfully transported 3,500,000 passengers by passenger trains and 400,000 tons of cargo for the fiscal year 2021/2022.

The Next IMO Secretary General Could Be Kenya's Amb. Nancy Karigithu

Story by The Maritime Executive

With the tenure of IMO Secretary General (SG) Kitack Lim ending this year, the United Nation's agency has set in motion the process of searching for a successor.

One of the contenders for the position is Nancy Karigithu, currently, Kenya's Ambassador and Special envoy for Shipping and Blue Economy.

Both Kenya's President and the African Union have already endorsed Amb. Karigithu's IMO candidacy.

However, her endeavor to lead IMO comes at a time the agency is facing a backlash from some maritime stakeholders.

There is a feeling that IMO is failing to foster a global consensus on some of the critical issues troubling the shipping industry.

Amb. Nancy Karigithu recently met with Brian Gicheru to discuss her grand plan for IMO if she is elected as the next Secretary General in July 2023.

What is your campaign strategy to revitalize IMO?

For Member States & the industry – My vision is to undertake actions to ensure that IMO remains a member state-driven organization, in line with the dreams of its founding members. Overall, I will maintain IMO as neutral, transparent, proactive and efficient, based on mutual respect, fairness, equity

and justice. The output should be greater confidence and satisfaction with the Organization from Member states, industry and stakeholders.

For the Secretariat & Staff, I will ensure promotion on merit, recognition of talent and hard work as well as equal treatment for all staff while working together as one United Nations family. This is because, a more vibrant, happy and engaged workforce will be both productive and motivated and deliver over and above expectations.

The maritime industry is on the cusp of a transition to cleaner fuels. How will you ensure this transition is accelerated and in a manner that is fair to all IMO member states?

Incentivizing the availability and scalability of low and zero-carbon marine fuels and technologies is paramount. This should be coupled with the ability of all Member States taking part in the transition. In parallel, we must not lose sight of safety, therefore there is a need to examine all measures required to address emerging safety concerns related to the use of alternative fuels.

Human capital in this subject, supported by capacity building and training is of utmost importance. The maritime workforce ought to be well equipped as we chart the way forward towards decarbonizing international shipping.

The availability of viability gap funding is crucial. Developed regions hosting international financial institutions and financing corporations, aiming to invest in the shipping sector should endeavor to support region specific pilot trials. This will also support bankable pilot projects. In doing so, energy efficiency uptake will be accelerated and first movers' stakeholders can be incentivized.

I further propose the following actions. Promoting pilot trials of alternate fuels and studies looking at the safety of these fuels as soon as possible.

This could be done by forging partnerships between fuel producers, shipping companies, class societies and engine manufacturers. The Global MTCC Network (GMN) spearheaded by the IMO could be a significant player in supporting this transition.

As SG therefore, defining and achieving a just, fair, and equitable energy transition will be my priority. IMO, as the United Nations global agency responsible for the regulation of shipping, has the best means of convening the right stakeholders. I have the willingness and drive to make this happen.

How do you plan to make the IMO regulatory process faster to respond to challenges like climate change?

I can appreciate the concerns as it relates to the slow regulatory process. However, I do not think it is deliberate considering the diverse interests of the 175-member states of the IMO.

As to how I will make the process faster, I will first impress on members the impacts of climate change and the need for urgent action.

Secondly, I will encourage well-endowed countries to provide the needed support to developing countries and LDCs (Least Developed Countries) for speedy transition to renewable and low carbon fuels.

Third, I will encourage industry to come up with pragmatic and affordable technology to support medium to long-term measures towards decarbonization.

Lastly, I will continue the review and reform of the IMO to respond speedily to issues, including decarbonization bearing in mind the impacts on LDC and SIDS (Small Island Developing States).

IMO is still one of the most effective UN agencies. By default, it has to be effective and fast since the sector it regulates supports world trade.

For over three decades, you have served in various high-level policy positions in the maritime industry. What are some of the achievements you are proud of?

I have wide experience both within government and at the IMO - first as a consultant then as a delegate, thus giving me an in-depth understanding of IMO structures.

At the national level, I was instrumental in setting up the Kenya Maritime Administration (KMA) becoming the first Director General (DG) of the organization, a position I held for nine years. During that period, comprehensive legal frameworks for maritime activities in Kenya were established. I also set up the State Department for Maritime and Shipping Affairs, serving as the Principal Secretary where I dedicated myself towards championing the country's maritime agenda for economic growth.

Regionally, I spearheaded the Kenya Government's efforts and contribution to the suppression and prevention of acts of piracy and armed robbery against ships within the West Indian Ocean Region, as well as the implementation of the Djibouti Code of Conduct (DCoC) and its amendments.

I recently, initiated and led a global initiative for the protection of wildlife that resulted in the adoption of Guidelines for the Prevention & Suppression of the Smuggling of Wildlife on Ships engaged in International Maritime Traffic. The International Maritime Organization endorsed the Guidelines in May 2022.

At the peak of Somali Piracy in 2010, you were serving as the Director General of the Kenya Maritime Authority. During the period, the Kenyan government entered into an agreement with EU to prosecute and imprison suspected Somali pirates. What are some of the lessons you learnt on maintaining maritime security. How do you intend to apply this expertise at the global scale if elected the next IMO Secretary General?

I am proud to have led initiatives in Kenya, at a time when piracy had resulted in disruptions that threatened the shipping industry. As you have rightly observed, Kenya was the first country to lend her institutions in supporting the prosecution and incarceration of pirates with the support of the United Nations.

First, the experience was a learning curve in showing that the maritime sector has no boundaries and action in one geographical area can have spillover negative impacts many miles away. Transboundary problems must be solved with transboundary solutions.

The experience showed us that we could not afford to have patchwork regimes in legislative measures for the security of global shipping. It is therefore imperative for me to deepen collaboration between member states to ensure IMO has access to knowledge, information and intelligence, which must be utilized in tackling maritime security problems.

If elected SG, you will become the first woman to occupy the position. How will the ongoing IMO's gender balance program benefit?

IMO has long been a champion of gender equality and the empowerment of women in the maritime sector. Since 1988 through the Women in Development capacity-building program, IMO has been helping women access maritime training and employment opportunities. Indeed, I was a beneficiary of this program for my post-graduate studies at the International Maritime Law Institute, Malta.

In this regard, I believe that a well-qualified, and experienced female Secretary General would serve as a strong pillar and mentor in propelling the career advancement of women in the sector, in line with IMO's ideals in the Women in Development program. My active involvement in the efforts to champion the integration of more women in the maritime sector in both Kenya and the region has borne sustainable business models in a variety of ways.

The efforts earned me two terms as the chairperson of the Association for Women in the Maritime Sector in Eastern & Southern Africa (WOMESA), a partnership between IMO and maritime administrations in 24 countries in the region. WOMESA is aimed at encouraging the participation of women in the maritime sector through mentorships and training sponsorships.

As part of IMO's gender and capacity-building program, an institutional framework (Women in Development) has helped to incorporate a gender dimension in the maritime sector, facilitating access to maritime training and employment opportunities for women. I aim to support the implementation of key gender balance-oriented policies that are actionable and effective, coupled with a support structure that is keen on the use of modern technology.

UNDERSTANDING DEMURRAGE AND CONTAINER SHIPPING

In any project involving dependent activities, delays in the supply chain can lead to additional costs. In shipping, time is money, and if not well utilized, penalties will be imposed, hence increasing the cost of doing business.

Owing to the recent issues regarding demurrage claims in Kenya, it is an opportune time to write an article aiming to provide insight into the economics of container shipping, specifically focusing on what demurrage (and detention) charges are and why these exist in the container shipping industry today.

The concept of demurrage first came about when ship owners and charterers signed agreements to transport cargo between two ports.

These agreements, known as Charter Parties, existed long before container shipping arrived on the scene during the late 1950s. Both parties had to agree to terms and if they failed to adhere to these terms, compensation for breaking these terms was required.

Demurrage, in this case, is the charge payable to the owner of the chartered ship on failure to load or discharge the ship within the agreed time as per the contract. The time allowed for the charterer to discharge their cargo is known as 'laytime' and if the charterer exceeds the time allowed, they are required to pay demurrage charges, being liquidated damages for breach of contractual terms.

Since the proliferation of container shipping, the concept of demurrage has been extended to compensate shipping companies when containers are not returned within the contractual agreed 'laytime' or 'free time'.

Shippers wishing to transport goods enter into a contract with the Shipping Lines, known as a contract of carriage and covers goods from the place of loading to its destination. This contract stipulates the terms of the transportation including the description or particulars of the goods to be transported, the mode of transport (which include sea freight, inland haulage and/or any other agreed mode of delivery of the relevant cargo to the agreed destination), the packaging of the consignment for transportation purposes and the handling of the goods from the time they are received by the shipping line to when delivered to its prescribed destination.

As a fundamental term of the carriage contract, a key clause specifies the amount of time allowed for loading, unloading of cargo and return of the empty container to the shipping line nominated depot.

The grace period allowed is referred to as laytime or free time, during which time the Shipping Line does not raise demurrage to its customers. However, if the lay time is exceeded, the importer compensates the Shipping Lines in the form of a demurrage payment which is liquidated damages for the Shipping Lines not being able to use the containers.

It is not in any way a payment for the use of containers. It should be noted that Demurrage does not constitute rent for use of property as there is no leasing contract between the Shipping Lines and its customers.

Clear import and export processes and infrastructure development are key contributors to creating transport efficiencies and facilitating the movement of goods in the supply chain.

Some of the tips that can be deployed to avoid demurrage, include but not limited to: -

- Reading the charter agreement carefully
- Identify special requirements for import cargo which may be held by customs or port authorities.
- Consider shipping cargo using a Through Bill of Lading instead of Merchant Haulage. This places the responsibility on the shipping line to deliver the cargo and barring documentation delays caused by the importer, demurrage will be avoided. If using your own means for inland transportation, then the free time starts on landing the container since shipping lines' responsibility for Merchant Cargo ceases upon discharge at the port. This is particularly relevant when port infrastructure or country administration systems cause delays in container pick up/return.

- For shipments not under Letter of Credit that do not need an Original Bill of Lading, consider an express release to avoid any cargo release delays.
- If the shipment is under a Letter of Credit, make sure that you commence communication with the banks for timely release of documents.
- Preclear the cargo from the customs and other government agencies prior vessel arrival and ensure all your documentation is in proper order.
- In case of special permissions, negotiate with the shipping lines for an increase in the amount of free time allowed.
- Use the expertise of a professional freight forwarder.
- Share the cargo and shipment delivery documents will parties involved to ensure smooth cargo clearance, loading, and unloading process.

Kenya needs clear procedures and systems covering all departments concerned with cargo clearance that facilitate trade. By reducing barriers to trade, the cost and risk of bringing ships or containers to Kenya will also be lower and Kenyan consumers will significantly benefit from reduced demurrage charges.

Written by Juma Tellah
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Importing cargo from overseas?

Obtain your Marine cargo/goods in transit insurance from your local provider:

- For easy administration of claims
- To save our foreign currency
- To be sure that your cargo has been insured and with the right cover
- To develop our local insurance sector

The need for Collaboration in the Shipping and Maritime Sector

- The International nature of Shipping and Maritime affairs
- The commercial interdependency between land linked and coastal states and the need for harmonization of their interest
- The technicalities, complexities and geographical location of issues involved
- The interdependency of regional states in maritime trade due to shared Maritime bodies and facilities
- Universality of Shipping and Maritime challenges facing Africa States
- The Universality of Shipping and Maritime Interests and aspirations of the States in the Region
- The need for effective protection of the interests of the region against adverse policies and practices of overseas and multinational service providers
- The aspirations of the Africa Maritime Charter which encourages regional groupings that drive regional interests
- Shipping being a Capital-Intensive Sector and the opportunity to pull resources together

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